

# Economic Effects of Inter-community Conflicts In Kenya: Evidence of the Importance of Peace in the Realization of Sustainable Development

Efectos económicos de los conflictos intercomunitarios en Kenia: Evidencia de la importancia de la paz en la consecución del desarrollo sostenible

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## Abstract

The sixteenth goal of the United Nations' seventeen sustainable development goals (SDGs) seeks to promote peaceful and inclusive societies for sustainable development. Therefore including the reduction of all forms of violence and violence-related deaths, the reduction of illicit arms and capital flow, the recovery and return of stolen property, and the fight against all forms of organized crime among others. Understanding the effects of conflicts clarifies the linkage and interdependence of the peace agenda and the realization of the majority of the SDGs. Kenya, which is a party to the resolutions of the General Assembly of the United Nations, has in its history experienced episodes of inter-community conflicts arising from competition for control of scarce natural resources among pastoral communities, election related violence, and clashes arising from land boundary disputes. On the basis of the experiences of ethnic conflicts during election periods and literature review, this paper discusses the economic effects of inter-community conflicts in Kenya and points out how such effects make peace building and conflict resolution critical to the achievement of other SDGs.

**Keywords:** Sustainable development, inter-community conflicts, economic effects

## Resumen

El objetivo 16 de la lista de los 17 objetivos de desarrollo sostenible (ODS) de las Naciones Unidas (SDG) busca promover sociedades pacíficas e inclusivas para el desarrollo sostenible, incluyendo por ende la reducción de todas las formas de violencia y muertes relacionadas, la reducción de los flujos financieros y armamentísticos ilícitos, la recuperación y devolución de bienes robados, y la lucha contra todas las formas de delincuencia organizada, entre otras. La comprensión de los efectos de los conflictos aclara el vínculo y la interdependencia de la agenda de paz y la realización de la mayoría de los ODS. Kenia, país que hace parte en las resoluciones de la Asamblea General de las Naciones Unidas, ha experimentado en su historia episodios de conflictos intercomunitarios derivados de la competencia por el control de los escasos recursos naturales entre las comunidades de pastores, la violencia relacionada con las elecciones y los enfrentamientos derivados de fronteras entre grupos. Con base en las experiencias de los conflictos étnicos durante los periodos electorales y la revisión de la literatura, este documento analiza los efectos económicos de los conflictos intercomunitarios en Kenia y señala cómo tales efectos hacen que la construcción de la paz y la resolución de conflictos sean cruciales para el logro de otros ODS.

**Palabras clave:** Desarrollo sostenible, conflictos intercomunitarios, efectos económicos.

## 1. Introduction

In September 2015, the General Assembly of world leaders in a United Nations summit adopted the post 2015 development agenda on sustainable development. The 17 Sustainable Development Goals and 169 targets that were agreed on seek to build on the Millennium Development Goals and complete what they did not achieve by 2015. The goals and the targets set out the transformative steps to shift the world on to a sustainable and resilient path in a framework where no one is left behind. These goals are expected to stimulate action in five areas of critical importance for humanity and the planet which include people, planet, prosperity, peace and partnerships. In the subject matter of peace, the leaders seek to foster peaceful, just and inclusive societies which are free from fear and violence. This is in recognition of the fact that there can be no sustainable development without peace and security and peace and security will be at risk without sustainable development. The leaders committed to ensure that all factors which give rise to violence, insecurity and injustice are addressed and sufficient efforts are directed towards resolving or preventing conflict and supporting post-conflict countries (United Nations, 2015).

Kenya is one of the state parties committed to implement activities towards realization of the SDGs. In its independence history, the country has enjoyed peace in most of the years. However, various forms of eth-

nic conflicts have been witnessed with increasing intensity in most of the recent incidences. The conflicts have manifested in the form of competition and control over the use of scarce natural resources (water and pasture), raids and cattle rustling among the pastoralists especially those in the northern parts of the country, election violence and land boundary disputes among others. Cattle rustling among the communities in northern Kenya has increasingly become destructive and less manageable. Empirical studies reveal that the frequent raids are fueled by historical rivalry between the communities, deep-seated cultural values, land issues, political incitements, increasing levels of poverty and idleness amongst the youth, proliferation of illicit arms, inadequate policing and state security arrangements and diminishing role of traditional governance systems (Huho, 2012; Odhiambo, 2012; Opiyo *et.al.*, 2012; Ruto *et.al.*, 2003). During the raids massive deaths occur involving both the civilians as well as government security agents (Schilling *et.al.*, 2012; African Development Bank, 2009). There is also loss and destruction of property usually involving burning of homes and subsequent displacement of people as they seek to be in more secure places (Schilling *et.al.*, 2012). Sometimes the young men of affected communities engage in retaliatory raids fueling further destruction and loss of lives.

The country has also experienced episodes of ethnic conflicts associated with electio-

neering periods. The major ones are those experienced in 1992 in the Rift Valley province in the wake up to multiparty politics, in 1997 in the Coast province, and the post-election violence of 2007 /2008 which was more widespread than in the other years. The motive of such conflicts are perceived to be the need to influence voting outcomes and /or to discipline communities that vote contrary to the preference of major communities in given regions (Ong'ayo, 2008). The conflicts arise mainly because individuals seeking political positions in the country often build their support along tribal lines. This make voters / communities to associate a given politician's ideology to the community where he or she comes from. The fact that the top contenders for the position of president always have most of their votes from the community they come from show that most of the voters believe that only someone from their community should hold the highest positions in government. Alternatively it could be perceived that the only guarantee for maximization of the community's interest in government is when one of its own is in power. In this framework, any disputes in election results become an ethnic issue leading to violence against each other as was the case in 2007/2008 post-election violence. Just as in the case of the raids among the pastoralists, the election related conflicts also leave many dead, property destroyed, grabbed or lost to looters, displacements of people from their homes and gross violation of human rights [Human Ri-

ghts Watch, 2016; Department for International Development (2001)].

## **2. Economic Effects of intercommunity Conflicts**

This paper categorizes the economic effects of the inter-community conflict episodes in Kenya in to three; loss of livelihoods and food insecurity, inefficient resource use and environmental degradation, and general economic decline.

### **2.1 Loss of Livelihoods and Food Insecurity**

As indicated in the previous section, most of the ethnic conflict episodes witnessed in Kenya result in temporary as well as permanent out migration of people from the affected areas. In the analysis of the effects of violent conflicts on pastoral livelihoods, Schilling *et.al.* (2012) found that the conflicts between the Turkana and Pokot communities is felt mainly in terms of loss of human life and property, reduction in livestock numbers, limited access to water and pasture resources and forced migration. As a result, the conflicts create a strong and omnipresent perception of insecurity which results in ineffective resource utilization, reduced mobility, food insecurity and closure of markets and schools. The displacements and forced movements of people out of known homes and respective economic activities and massive loss of resources due to conflicts deprive them of their live-

lihoods (African Development Bank, 2009). The households lose their abilities to generate resources that support their access to basic items for healthy and decent living.

During and after the ethnic clashes of 1992 and 2008, there was widespread disruption of agricultural production activities. Many of the potential farmers ran away from their farms in the rift valley region crops of maize, coffee, pyrethrum, tea, sugarcane and other crops were either destroyed or abandoned. In 1992 specifically, some areas of Trans Nzoia, Kericho, Nandi and Uasin Gishu districts, work on agricultural land stopped for a long time as farm workers stayed away for fear of being attacked by the 'clashing enemies' (Nyukuri, 1997). The reduced food production and food supplies lead to shortages famine among households.

The increasing insecurity during conflicts make markets inaccessible. This is because of the disruption of transport operations as vehicle owners withdraw operations for fear of attacks. A number of businesses also close down to prevent loss of goods to looters. In a survey conducted in the period between September, 2008 and December, 2011 among the Turkana and Pokot communities of northern Kenya, Schilling *et.al.* (2012) observed that livestock markets in Lokirama and Loya were not used during conflicts. The lack of secure markets limited the ability of the pastoralists to sell livestock prior to or during dry periods. Since the main source of livelihood for the

pastoralists is their livestock, any livestock sold were exchanged at very low prices to unscrupulous buyers who took advantage of the security situation. A related example is in Nyukiru (1997) where it was observed that in Mt Elgon and West Pokot areas, a mature bull which before the clashes of 1992 sold at over Shs.7000 was sold at Shs.3000 or less during the conflict periods due to fear of cattle rustlers. The reduced earnings from sale of livestock implies that all factors held constant, access to foodstuffs reduce

The influx of grains and manufactured goods are also negatively affected during conflicts causing artificial scarcity which make prices to soar up thereby worsening the food security situation (Schilling *et.al.* 2012). The study by Nyukiru (1997) also observed that the drop in the supply of food and raw materials for the agro-based industries in the areas that were affected by the 1992 tribal clashes necessitated costly imports of items such as sugar, maize and wheat with effect of hiking and fluctuation of prices of essential commodities such as bread, salt, sugar, flour and other basic goods whose prices went up by over 50 percent. The result is these incidences imply that conflicts drive people into destitution, make the poor more vulnerable and forces people to rely on relief supplies from the government and non-governmental agencies which only sustains them on survival but does not guarantee sufficient nutrition for healthy living

## 2.2 Inefficient Resource Use and Environmental Degradation

In the northern Kenya, conflicts have led to degradation of the rangelands as mobility is constrained and the institutions that traditionally ensure their sustainable use are rendered ineffective (Odhiambo, 2012). Due to insecurity, grazing of livestock, even in times perceived to be peaceful, is restricted to a radius of 15 kilometers for fear of raids and the concentration of livestock in limited places results in overgrazing and general degradation of the environment. The concentration of people and livestock lead to overuse of resources with exposure to soil erosion and increased scarcity of pasture and water which poses a potential source of new conflict. While this happens, other areas with pastures and water remain unutilized. For instance, in the year 2009, the rangelands south of Loya, located between the Turkana plains and the highlands of Pokot, which were rich in pasture were not being accessed by either of the communities because of insecurity (Schilling *et al.* 2012). The under-utilization of pasture bares the risk of encroachment of certain species which deplete the pasture or make it inaccessible and the unused water sources present opportunities for livestock poisoning (Huho *et al.* 2009).

The above are cases of inefficient use of scarce natural resources. Outside conflicts, mechanisms that ensure optimal use of the resources would be adhered to. Further, pastoralists who lose their livestock in the

raids and individuals displaced from their livelihood sources often turn to other income generating activities including making charcoal which have serious negative environmental and ecological impacts. Increase in poaching which reduces the population of wildlife including elephants, giraffes, zebra, ostriches, different types of antelopes among others in the area.

## 2.3 General Economic Decline

Persistent conflict therefore undermines local economies as well as the entire country's economic performance. When conflicts result into displacements of individuals from their homes and also suffer destruction of their property, in the new settlements they remain unproductive because the required resources needed to enable participation in meaningful economic activities are lost. People are also socially deprived and lack the motivation to do any meaningful work. Some may often want to go back to the activities but are kept back in fear due to increased insecurity as was experienced in the election related conflicts of 1992 and 2008. In such circumstances, the few who manage to move to nearby urban centers resort to menial jobs to make a living. However, these can never compare to what they would have done if they continued in their first best options for work and productive activities outside conflict. The overall effect is that the individuals do not participate in production and or are un-



derutilized making them to live below their full potential. Their incomes remain low, translating to very low standards of living. Some of the households actually move into poverty because most of the basic needs are not met.

There are cases where violent conflicts even lead to closure of trading (market) centres, schools and dispensaries. Apart from the fact that costs of essential commodities soar up as a result of high costs of business (transport, security etc.) as well as exploitation by individuals who know the people have limited alternatives (Odhiambo, 2012), the communities also experience reduced prospects of higher human development due to closure of schools and dispensaries which impede equality in quality educational achievements as well as access to health services. As children in the conflict affected areas remain out of school, their counterparts in other areas continue with their learning.

The massive deaths of young men who engage in the violent raids reduces the productive capacity of communities (African Development Bank, 2008). The women have to assume additional responsibilities beyond the traditional ones of providing for the family. The coping mechanisms are undermined thereby engendering general

economic decline (Odhiambo, 2012). Due to the frequent violent raids among the pastoralist communities, many of the young men continually get involved in surveillance as a means of securing their communities. If these young men do not die in conflict, it is still important to understand that surveillance in itself is a non-productive engagement. The individuals would be engaged in more productive activities that leave them with more incomes and better lives. Further because of proliferation of guns, they are the incentive to sell whatever little in terms of resources to buy them for protection. This is also a nonproductive investment. It is therefore evident that conflict keeps the affected households outside meaningful and productive activities and resources are directed to consume goods that do not have productive value hence they tend to remain economically deprived with lack of sufficient resources to sustain their lives at required minimum standards

Beyond the individual and household effects, it is also been observed that the periods associated with widespread ethnic conflicts or where conflicts affect areas known for major economic activities as the rift valley region, such as those of 1992 and 2007/2008, the economy experiences reduced economic performance. Figure 1 shows the trend of overall economic performance in the country in the period from 1971 to 2013.

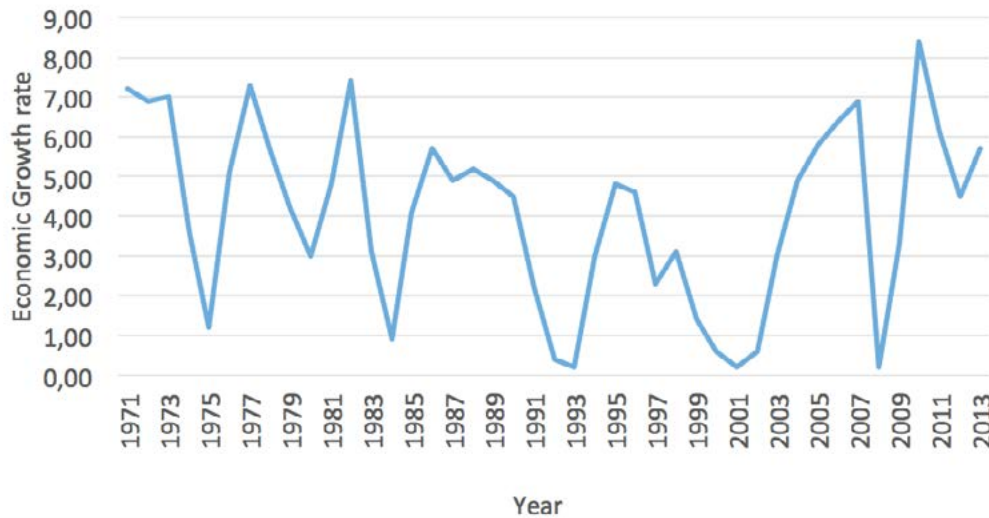


Figure 1: Trend of Economic Growth in Kenya (1971 – 2013)  
Data source: Republic of Kenya - Various issues of Economic Surveys

The trend in figure 1 indicates that in 1992 and 2008, the periods where widespread violent ethnic conflicts were experienced, the country simultaneously witnessed lower economic performance than the average in the immediate adjacent periods. This is similar to the observation by African Development Bank (2009) and Ayitey (1999) in most of the African countries, conflicts cause economic decline such that by the end of a conflict the economy is significantly smaller than it would have been had peace been maintained. The reduced economic performance in the conflict periods are attributed to decline in agricultural production as farmers are kept out of the farms as already discussed in section 2.1, destruction of infrastructure which reduces the productive capacity (Department for International Development, 2001) and capital flight as investors move their resources and skills to safe areas where more returns

are possible as well as the shift of public resources from productive sectors to provision of relief and security spending against support to productive sectors as the country responds to the effects of conflicts. The general economic decline during periods of conflict is a common experience in other African Countries (Serneels and Verpoorten, 2012; African Development Bank, 2009; Hoeffler, 2008).

According to African Development Bank (2009) during conflicts, individuals will tend to discount the future more heavily as a result of the uncertainties arising because of war, a situation leading to increased opportunistic behavior which in turn reduces productivity in activities that depend on credit transactions. Fear and reduced opportunities induce people to withdraw themselves and their assets including skill to safety perceived to be more secure. This



is because the return on investment declines as economic conditions deteriorate. There will also be experienced in the economy, changes in the sectoral composition the degree of vulnerability of activities and reduced demand depends on the extent to which activities are affected by conflict. Prolonged conflict would cause a retreat of the rural economy away from market activities which reduces demand in sectors that produce investment goods hence further loss in skills. This is confirmed in the Kenyan conflict cases where in 1992 the affected areas experienced an abrupt drop in effective demand for manufactured goods due to lack of cash income from the agricultural sector and the massive unemployment that was experienced in some of the areas affected by clashes (Nyukuri, 1997)

### **3. Importance of Peace and Peace processes in realization of sustainable development**

As noted in the United Nations (2015) the 17 goals for sustainable development and their targets are integrated and indivisible because sustainable development recognizes that eradicating poverty in all its forms and dimensions, combating inequality within and among countries, preserving the planet, creating sustained, inclusive and sustainable economic growth and fostering social inclusion are linked to each other and are interdependent. The economic effects of ethnic conflict episodes in Kenya as discussed in the preceding sections demonstrate the connection between peaceful coexistence among different communities as critical for realization of the other SDGs. A summary of the targets specified in other SDGs whose realization would be greatly hindered by intercommunity violence is presented in table 1.

**Table 1***Linking ethnic conflicts to the other SDGs*

<b>Sustainable Development Goal</b>	<b>Relevance of peaceful coexistence to realization of some of the targets</b>
No Poverty (SDG 1)	Conflicts drive affected people into poverty and more vulnerable situations hence challenging eradication of poverty for all people everywhere
Zero Hunger (SDG 2)	Conflicts lead to food insecurity due to reduced food production and lack of access to available food supplies due to very high prices during the conflicts. This worsens situations in some already very fragile situations especially in the northern Kenya areas which are mostly arid and semi-arid and are prone to frequent drought and famine
Healthy lives and well-being for all at all ages (SDG 3)	Displacements and settlement in deplorable displacement camps expose individuals to infectious diseases and the lack of income due to lost livelihoods limit access to appropriate treatment services
Quality Education opportunities for all (SDG 4)	Due to insecurity arising from frequent conflicts in some areas children enroll in school late and are also out of school most of the time.
Clean Water and sanitation (SDG 6)	Degradation of rangelands, clearance of forests for charcoal as alternative livelihood activity arising from conflicts will make it difficult to protect and restore some of water-related ecosystems, including forests, and wetlands by 2020 as expected
Economic Growth and Decent Work (SDG 8)	Loss of resources, destruction of infrastructure, reallocation of investments and skill to safer areas are some of the results that will force some areas of frequent conflicts experience economic deprivations and lack of sustainable growth. Conflicts also drive individuals too less productive and indecent employments
Sustainable Consumption and Production patterns (SDG 12)	One of the targets is to achieve the sustainable management and efficient use of natural resources which is impeded by conflicts which instead promote congestion and overuse of some resources while other are underutilized
Life on Land (SDG 15)	Realizing the targets related to conservation, restoration and sustainable use of forests, wetlands, mountains and dry lands, degraded soils, forests and increased afforestation and reforestation including on land affected by desertification, drought and floods; reduction of degradation of natural habitats, protecting and preventing the extinction of threatened species by 2020, ending poaching will clearly be challenged because conflicts fuel environmental degradation in the many fronts discussed in section 2.2

*Source:* United Nations (2015)

The clear linkage between effects of conflicts and the realization of eight (8) other SDGs just on the basis of the economic consequences of the few episodes of conflicts considered in this paper means that achievement of sustainable peace and coexistence between communities will play a critical role in achieving sustainable development. Perhaps if the social, political and psychological consequences were analyzed, peace should be seen as a means towards Kenya's realization of its economic, social and political development goals specified in the Kenya Vision 2030. These linkages resonate very well with what the General Assembly of the United Nations acknowledged while adopting the SDGs that there is no sustainable development without peace. The government agencies, the civil society and all traditional institutions need to consider practical and effective ways of addressing the conditions that fuel violent ethnic conflicts and removing and minimizing all forms of conflicts in the country. International Cooperation for strengthening the national institutions and building capacities at all levels will also remain critical towards realizing sustainable peace

#### 4. Conclusion

The discussions in this paper demonstrates that the violent ethnic conflicts experienced in Kenya over the years, exemplified by the election violence and pastoral conflicts in northern Kenya, directly affect the house-

holds and the communities through loss of livelihoods and increased food insecurity, inefficient use of resources and environmental degradation, economic decline which is also experienced at the national level. While successful peace processes will be important to the mitigation of these effects through prevention and reduction of all forms of violence, organized crime, terrorism, and related deaths, as well as the other targets in the peace agenda such as reducing illicit arms flows and strengthening recovery and return of stolen assets, they are also critical in the realization of the other sustainable development goals. In Kenya, strategies of ensuring peaceful coexistence among communities should remain a priority at all levels of policy and in international cooperation projects.

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