SOCIAL NETWORKS: ETHNICITY AND THE INFORMAL SECTOR IN NAIROBI

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ABSTRACT

This paper is part of a larger study entitled "The Role of Social Networks And The State In The Urban Informal Sector: The Case of Nairobi, Kenya." The social dynamics of the informal sector, popularly referred to as "Jua Kali" are considered an important component of this sector. We argue that they should be understood and tapped where possible for the future development of the informal sector.

Three aspects of social networks in Nairobi's informal sector are identified. These are: Kinship, friendship and ethnicity. In this paper, we discuss ethnicity as it is manifested in the informal sector. We also discuss how it has helped new migrants not only to find shelter in Nairobi but also to find an economic occupation which most of them may not have got in the formal sector.

Four subsectors mainly: the metal artisans, the drum sellers, the food sellers and the garment makers all in the Eastlands of Nairobi and the Industrial Area were studied in 1987. We also had a sample of 200 operators of the informal sector representing each of the four subsectors. In the paper a background of ethnicity in Kenya is discussed at a macro-level before presenting our findings on ethnicity at a micro-level — specifically among the subsectors we studied. There is evidence on ethnic specialization/various subsectors. Certain skills for example in the metal artisanry are predominantly ethnic specific. We found such evidence among the metal artisans and the food sellers.

Using both participant observation and survey methods in the field, the data places ethnicity prominently in the discussion of Nairobi's informal sector.

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Introduction:

In this paper ethnicity is discussed as a major basis of the
social networks which characterize Nairobi's informal sector. I argue
that ethnicity is significant in understanding how the informal sector
operates in Nairobi. I also hypothesize that ethnicity has been
instrumental in establishing occupation of specific subsectors in the
informal sector, thus complicating and in some cases determining entry.
Diagnozing ethnic identification in this sector is not only important
for understanding how it operates but also for policy formulation,
particularly at a period when the government and international donor
agencies are targetting the informal economy as the cornerstone for the
future economic development of Kenya and other Third World countries.
(Republic of Kenya, Sessional Paper No.1, 1986).

I will divide this paper into four major sections: the
introduction, the background of ethnicity in Kenya and Nairobi, theoretical
perspectives based on previous studies and our research findings on
ethnicity and ethnic identification in the informal sector. This is
based on a larger study entitled: "The Role of Social Networks and The
State in the Urban Informal Sector: The Case of Nairobi, Kenya".
Participant observation and a survey of 200 informal sector operators in
selected parts of Nairobi form the basis of the data. I studied four
subsectors mainly the metal artisans (Kamukunji Jua Kali Artisans) the
drum sellers near Shauri Moyo, food sellers in both kiosks and along the
streets of Nairobi's Industrial Area; garment makers in selected markets
e.g. Burma, Jogoo and also those working from their homes in a number of
residential estates in the Eastlands.

Ethnicity

There are at least 35 different ethnic groups in Kenya. Most of them are represented in Nairobi. This is as a result of the rural-urban migration process which has been on-going especially after independence when anti-urban migration laws for the Africans were lifted. During the colonial period, ethnic identification was exploited by the administrators in order to facilitate their divide-and-rule policy. Thus an antagonistic atmosphere was created between different ethnic groups, or tribes as they were referred to by the colonialists. Just before independence, for example, small tribes like the Kalenjin, Mijikenda, Maasai and others, with the support of the minority European settlers, advocated regional autonomy ('majimbo') instead of a united nation. They feared lack of representation in a national government which was predicted to be led by the two major ethnic groups in Kenya -- the Kikuyu and the Luo. The two political parties just before independence were based on ethnic lines of affliation. KADU (Kenya African Democratic Union) was the party of the smaller ethnic groups and minority European settlers while Kenya African National Union (KANU) was the party of the bigger ethnic groups, mainly a Kikuyu-Luo coalition. Ethnic identity and antagonism at the national level dates back to the colonial period. After independence in 1963, the KADU party folded up and in 1964 all the former KADU political leaders crossed over to KANU, advocating national unity and abandoning their earlier call for regional autonomy. It would appear at face value that the ethnic problem at national level was over but political events in the few years that followed proved otherwise.

As O'Cconor (1983:110) correctly observes in his study of the African city, ethnic identity is not something consciously and keenly felt by most people living in the rural communities where all members are of the same ethnic group and there are few direct contacts with people of other groups. But moving into a city and into close contact with people of other groups, speaking other languages and so on, one becomes much more explicitly conscious of ethnic identity. This was what was happening in Nairobi especially in the late 1960s and in the 1970s. Referring to this time period, O'cconor gives the example of Nairobi and Harare (formerly Salisbury) as two cities in tropical Africa which were so ethnically divided that they perhaps did not form "societies" at all (O'cconor 1983: 99).

Studies of ethnicity at a macro level, its effects on state formation, in Africa have been done (Rothchild and Oluonsola ed., 1982; Rothchild, 1985, 1986). Authors in the edited volume by Rothchild show the kind of problem ethnicity has posed for national unity in various parts of Africa, such as the Sudan, Ethiopia, South Africa and how it is a continuous political problem in a number of other countries. In this study, I am concerned more with ethnicity at a micro level, specifically, urban ethnicity and how it is manifested in the lowest level of economic production. I also discuss the potential problems (social and political) of such kinds of ethnic manifestations.

Ethnicity is always a sensitive subject, and scholars, as well as politicians and census-takers are sometimes reluctant to give explicit attention to it. But a discussion of cities in tropical Africa cannot avoid it. For good or ill, ethnic identity matters greatly to most people (O'cconor 1983:99). It is the sensitivity of this subject that has probably detered most indigeneous Africans from writing about it, leaving the subject to western social scientists, such as Mitchell (1969), Gluckman (1961) Southhall (1973) Shack (1973) and Rothchild (1969, 1982, 1985). We agree with O'cconor that a discussion of cities in tropical Africa cannot avoid the subject of ethnicity. This is regardless of whether the study is by an alien or an indigeneous scholar. Since more than often ethnicity as a social phenomenon is defined in terms of strife (Cohen 1969:4) a local scholar may be concerned with biases in the analysis of ethnic behaviour of those being studied. At times, oversomplification of the impact of ethnic identity is given to avoid the sensitivity of the subject. We will limit our analysis and interpretation to the observations and findings during the research period.

Prior to rural-urban migration in search of employment, further education, and better income opportunities, most of Kenya's ethnic groups lived in their respective rural regions such as the Luos in Nyanza, the Maasai in the Rift Valley, and the Kikuyus in Central Province. The rural areas inhabited by specific ethnic groups were characterized by homogeneity in cultural traditions, and more important in language. Tribal rituals like circumcision and harvest dances strengthened the bond of belonging to one ethnic group which usually claimed the same ancestry.

Rural-urban migration in the 1950s with increasing number in the following decades brought together different ethnic groups who shared very little in common. They had different cultural traditions and different languages. The new phenomenon of Africans in the Urban areas first attracted anthropologists from the Manchester school, notably Gluckman (1961) and Mitchell (1957, 1969). They were intrigued with the adaptation of urban life in the cities of Central Africa, especially Zambia's Copperbelt. They were influenced in their analysis by Wirth's classical essay, "urbanism as a way of life" (Wirth 1938). Not surprisingly, Gluckman argued that the urban life was leading to "detribalization" in African cities and therefore the African city was a melting pot for the African tribal traditions. This thesis was later on proven wrong. Instead, other scholars, such as Epstein (1969), argued, with support from field observations in Zambia's copperbelt, that when people of diverse origins have only recently come together and most retain close ties with their home areas, "tribal" feeling tends to be more intense than within the more homogeneous rural societies. Shack (1973), in a study conducted among the Gurage in Addis Ababa, argued that African towns are not melting pots for the rural Africans with diverse tribal backgrounds. Even after living in an urban environment for periods of up to a generation or more, Africans in town retain their tribal identity and membership in the rural society.

As O'cconor argues, this "tribal identification" of Africans in towns is one respect in which tropical Africa differs markedly from most of Asia and Latin America. Even in the latter places, "tribes" are recognized, but only a very small portion of the urban population is regarded as "tribal". Tropical Africa is exceptional in that in each city, virtually all who are not members of racial minorities, i.e. Whites and Asians can say without hesitation to which "tribe" they belong. This is true of Nairobi where virtually everyone except for the Asians and Europeans will quickly identify themselves as Luo, Kikuyu, Luhya or Kamba. This becomes a problem especially where there is scarcity of resources to be distributed, for example jobs in the formal sector or food kiosks in the informal sector.

Studies of rural-urban migration in Africa and other third
world countries have identified its selective characteristic. The process
"selects" young adults mostly between ages 20-30, the educated who are
in search of white collar jobs in the towns, and usually men more than
women. There is one category that has not been emphasized in previous
studies which is identifiable with early migration of Africans to Nairobi.
This is the selectivity based on ethnicity or different "tribes". Among
the first ethnic groups to migrate to Nairobi were the Kikuyus, mainly
 because of their close proximity to the city. It is easier for a job-
less Kikuyu in the rural areas to make the decision to travel an average of
60 miles to Nairobi. It would be a difficult decisions for a jobless Luhya
or Luo who would need to travel an average of 180 miles to get there .
In 1969 for example, the Kikuyu comprised 38 percent of Nairobi's total
population, followed by the Luhya with 13 percent, the Luo and the Kamba
with 12 percent each of the total population. In 1979, the Kikuyu population
had declined to 33 percent of total population in Nairobi compared with
21 percent of the Kenya total. They were however, still the largest ethnic
group in Nairobi and Parkin (1975: 152) suggests that most inhabitants
now regard it as an essentially Kikuyu city. However, the other major tribes
increased their numbers in 1979 with the Luo attaining 18 percent, Luhya
16 percent and the Kamba 12 percent of the total population in Nairobi.

The Luos clearly did not migrate to Nairobi because of their
close promixity. Instead, most of them were initially hired as clerks in
 the government corporations like the Railways and the Post Office, which
had headquarters in Nairobi. The colonial administration policy of divide-
and-rule encouraged employment of the Luo in such corporations and
discouraged employment of the Kikuyu who were suspected of sympathising with
 the Mau Mau movement. The Luhya migrants, who like the Luos are distant
from Nairobi, were first hired as house servants for the European community
in Nairobi, a job few Kikuyus would have been given because of the mistrust
towards them by the colonial establishment. Kambas, like the Kikuyus, come
from near Nairobi. This partly explains their early migration there. They
also have certain skills not shared by many of the other ethnic groups,
mainly wood and stone carving. Since their settlement in Nairobi, they have
advanced these skills and are known to make beautiful articraft and
carvings which they sell to the tourists and affluent Kenyans. The Kikuyu

early migrants were involved in various kinds of trade in Nairobi and
between Nairobi and their adjacent rural homes.

The extent to which ethnic ties have helped initial settlement
of new migrants from their rural homes is a subject that has had wide
coverage in Africa and in Latin America. Studies of urbanization in
Africa dating back to the 1960s (e.g. Epstein; 1969: Gluckman, 1961;
Southhall (1973) Gugler and Gilbert (1982) have supported the argument
that rural ties are significant in settling new urban migrants. In other
areas, Latin America, for example, studies by Lomnitz (1977) and Roberts
(1979) have also shown that rural ties are useful in settling new urban
migrants. My study confirms this finding. It goes further to also
establish how such rural ties have become a backbone for establishing an
economic activity in the urban informal sector.

Theoretical Perspective: an overview

Sociologically, urban ethnicity suggests that separation from
tribal life and entry into urban life, far from weakening the bonds
between tribal members, on the contrary strengthens them (Shack, 1973).
It is the strength of such bonds and how they have been articulated by
Nairobi migrants to acquire economic opportunities in the 1980s that is
sociologically intriguing. Earlier anthropologists who studies Central
and East African towns -- Mitchell, Gluckman and Southall -- all insisted
that ethnicity in towns is primarily a means of classifying the multitude
of Africans of hetrogeneous origins who live together in towns. Ethnic
classification is the basis on urban life. Shack (1973) found that urban
ethnicity in Addis Ababa manifests itself in ways unlike what had been
observed in other parts of African towns.

Besides the classification of hetrogeneous African groups
(which we do not consider significant at present), urban ethnicity has
become in the 1980s a useful political and economic asset in Africa.
Ethnic ties are certainly of profound importance in most cities as a source

of social security in providing for the few elderly who remain there,
for the sick and for the many unemployed underemployed (O'cconor 1983).
In the absence of a social welfare system in Kenya as in most third world
countries, comparable to the western countries, ethnic ties play almost
an equivalent role to the social welfare system.

Kinship and friendship ties cannot be underestimated, as we
shall argue in the next paper. Ethnicity provides the context of more
intimate ties. The new migrant, for example, may depend on Kinsmen for
shelter but may turn to an ever-wider group of co-ethnics in seeking
for a job. Those who do not have many kinsmen in the city must rely on
others of their own tribe or ethnic group as a substitute. O'cconor
(1983) observes, as we did in this study, that "social distance" is such
that friendship patterns are strongly influenced by ethnic affliation.
Even in most ethnically diverse cities in tropical Africa, nine people
out of ten specify a co-ethnic as their best friend! (O'cconor 1983).
In a study in Indonesia, Brunner (1973) found the same thing about the
Batak -- "that every individual interaction in the city of Medan occurs
within a larger framework of ethnic group relations". Brunner focussed
on a theme that our study in Nairobi also raises, that is: "positive
identification is not just a matter of convenience or politeness in Medan,
but it is rather an economic and political necessity (Brunner 1973:182).
The extent this was found in Nairobi is discussed later in this paper.
Brunner (1973), more specifically on this point noted that, "No Tapanuli
Batak enters the city as such". He enters along a network, through a
system, occupies a particular social structure slot, and there is
invariably someone else most frequently a relative, to help interpret the
urban experience in terms he can understand. No man has to recapitulate
the experience of his group and learn about the city on his own.

The argument I am making is that ethnic identification in
Nairobi fulfills the commonly accepted role of settling migrants; further-
more, that ethnic identification in Nairobi is well entrenched in the
urban informal sector. Such statements by ILO (1972) that the informal
sector is characterized by ease of entry should be recast with the theme
of social networks and their role in this sector. In this paper, we
are concerned with the role of ethnicity in the informal sector. No one

enters the informal sector as such. He or she has to move a long a
network. Ethnicity here is seen as a contribution to settling the new
migrants and finding an economic activity for them. We argue that in
understanding the social dynamics of the informal sector in Nairobi
(specifically ethnicity in this paper) we may unearth part of the secret
of its success in job creation when compared with the formal sector.

        I found that certain ethnic groups predominate in some informal
subsectors. Ethnic categories may be imprecise, and in part even
fictional, and they may be played down by governments, but they are
very real to most people. Nairobi's inhabitants, for instance, almost
invariably perceive their neighbours not only as old or young, as rich
or poor, but also as African, Asian or European, as Kikuyu, Kamba, Luo,
Kalenjin or Luhya, and this greatly influences their attitudes towards
each other. The relevance becomes clearer when some subsectors are
targeted for government support (loans, permanent work spaces) while
others, possibly dominated by a different ethnic group, are not supported
and continue to be harassed by government officials.   Such a situation
may be of concern mainly in capital cities since most of the provincial
cities are pretty much run by local ethnic groups which tend to be more
homogeneous. Capital cities in most third world countries are usually
the financial centers besides being seats of governments. Usually what
happens there, for example in Nairobi is likely to have an impact in the
rest of the country. As mentioned earlier, such tensions are likely to
occur when there is scarcity of resources to be distributed.

RESEARCH FINDINGS:

Looking at the general distribution of our sample, I found that
there were three ethnic groups that were significantly represented in
the subsectors of the informal sector I studied. These were the Kikuyu, the
Luo and the Luhya. These are also among the largest ethnic groups in the
country and in Nairobi, (Kenya Census, 1979). Other smaller ethnic groups
like the Kamba, Kalenjin, the Maasai and others were scantly represented.
The general distribution of my sample was as follows: Kikuyu 48%, Luo 36%,
Luhya 7% and others 12%.   This finding by itself is not surprising as it
confirms the national trend and   distribution of Nairobi's population
by ethnic groups.

Various subsectors were operated by specific ethnic groups.
They also perpetuated the entry of the same ethnic group members to any
open space for running a business or allocation of new food kiosks. This
was mainly through passing to each other timely information, mainly co-
ethnics. This finding applied mainly to the drum sellers and the food
sellers. I also found that customers, especially in the food selling
business patronized certain sellers based on their ethnic identity. This
in some cases boosted the seller's business. The opposite was true in the
case of two Luo women who lost their customers to a Luhya woman. Trust
is a very important concept of the world view of the informal sector
operators. They rely on trust to decide on whether to give credit to
their customers. There was strong evidence from our fieldwork showing
 that sellers trusted members of their ethnic groups more than customers
from other groups and credit was usually advanced to co-ethnics.

Seventy-seven percent of the food sellers were Kikuyu, mainly
women who sold food from kiosks. No Luo or Luhya had a food Kiosk in Nairobi's
industrial area. On the other hand, 70 percent of the women who sold food in
the streets adjacent gates of major factories were Luo.   25 percent of this
category were Luhya and only 5 percent were Kikuyu. The significance of this
distinction is understood better when we realize that the Kiosks are more
advantageous in many ways than the open street locations. The Kiosk is a
semi-permanent structure usually allocated by the city council. They

usually have clean running water and therefore meet basic sanitation
requirements compared with the street food selling locations. They do
pay a licence fee to the city council. This has not, however, saved
them from indiscriminate demolition ordered by the city council on
various occasions. Most Kiosk owners live in perpetual fear that one day they
will lose all their belongings in a demolition. This is not unfounded fear if
we compare with results from elsewhere. Irene Tinker (1987) in her
monograph on street foods gives the example of the devastating effects
demolition had on food sellers in Ile-Ife, Nigeria. Their study found
that before demolition, 75 percent of the enterprises that moved had
employed assistants; after the move, only 25 percent did. They also
found that over 90 percent of the street food sellers were making less than
half the income they made before they were forcibly moved.

The Kiosk owners do not pay taxes for their business and in
this way they operate similarly to the food sellers outside the street.
The food kiosk operators tend to make more money mainly because they
operate longer hours (12 hours) compared to outside food sellers who are
at their selling locations during the lunch hours only. The kiosks in
theory could appeal to more customers since they were open longer and
various people, not only those working in the factories, could patronize
them at any time. In practice, a few women food sellers operating outside did
better business than some kiosk owners. This was however, the exception and ·
not the rule. The food kiosk has kitchen facilities. The food sellers
operating from outside locations had no choice but to cook food in their
homes, commute or walk to their selling locations before noon and vacate their
locations after the lunch hour. They also had to rely on more specific
customers than the food kiosk owners.

Whichever way we look at it, it was more advantageous and also
prestigious to own a kiosk than a location outside a factory gate. This
observation was confirmed by the respondents. It was intriguing therefore
to find there was such a distinct /distribution on ethnicity on these two
subcategories. This became more of a research issue when the food sellers
operating outside reported that they would prefer a kiosk to "their
outside locations" if there were any available. They were also aware and
concious of the fact that the kiosks were owned predominantly by the Kikuyu
group.

One key respondent whom we asked to explain why there was a
disproportionate distribution of these two major ethnic groups in the two
categories of food selling places had this to say:

> "I think the Kikuyu dominate ownership of the food kiosks for
> the following reasons: The Kikuyu had experience a lot of
> poverty during the colonial administration period and
> especially during the Mau Mau movement up to the time of
> independence. Many of them were jobless and landless and
> were therefore ready to undertake any business or job
> opportunities that arose. After independence when
> colonial rules were relaxed, many were ready to put up
> kiosks, look for licences and they therefore overtook most
> of the other ethnic groups. Most of the other ethnic groups
> at that time (in the 1960s and 1970s) appeared satisfied
> with their families. Those who were in need and in search
> of small scale business opportunities were allocated
> kiosks and they ‑happened to have been Kikuyus".

This respondent's explanation as to why there has been a mush-
rooming of food sellers operating outside the major factory gates is that
they (mostly Luhya and Luo and other minority ethnic group) have
started experiencing the economic pressure and hardships that the Kikuyus
experienced almost two decades earlier. Having no alternative, they have
ended up cooking food and selling it outside the factories. They do not
have much choice, mainly because the Kiosks are already occupied by the
Kikuyu and very rarely are new ones being allocated.

This respondent, whom we will call Mary, did not think (as I did)
that the City Commission's relaxation of the by-laws characterized by
infrequent harassment of outside food sellers contributed to the rapid
increase of this category. "It may be a coincidence". While Mary's
explanation was echoed by most respondents who owned kiosks and by a
minority of those selling food outside, at least 60 percent of the food
sellers reported that the relaxation of the city by-laws had encouraged them
to start the outside food selling. Mary's argument based on the economic

history of the Kikuyu was indirectly supported by those selling food
outside. This was because 90 percent of them reported hard economic
situations, such as their spouse's salary not being enough for school
fees, clothes and food for the family. The hardship has been more of a
reality to most Kenyans and particularly Nairobi residents in the early
1980s.

We argue that both explanations, that is, the economic history
of the Kikuyu, and the relaxed by-laws by the City Commission are
plausible. We also add that history favoured the Kikuyus in the 1960s and
1970s. The patron-client relationship so characteristic of the African
governments (Young 1982) may have been at work during these allocations.
Since most of the outside food sellers came after the kiosk owners were
already established, it was difficult to prove this point from the
respondents since none reported to have been allocated a kiosk on the
basis of ethnicity What is clear is that at the time of my study the
Kikuyu dominated the food kiosks and the Luo dominated food selling outside.

A policy implication is that, if more favourable policies directed
towards the food kiosk owners by the city or the central government were
to arise at the expense of the outside food selling locations, an
interpretation based on ethnic identity would be inevitable. The Luos would
argue rightly that the Kikuyu were being favoured and would not simply sit
and say the government is supporting the informal sector.

My hypothesis that ethnicity may determine entry was over-
whelmingly supported by the data in the case of the food sellers (both in
kiosks and outside). All the food kiosks reported that they had been
informed about allocation of kiosks by a co-ethnic.

, Timely information is a very crucial element in the informal
sector because it is on the basis of such information that a potential
operator would go to City Hall to seek for an application. This is
what took place in the case of the food kiosks. From a sociological
perspective, "the ease of entry" as suggested by earlier studies based
on an economic perspective (e.g. ILO, 1972; House, 1984) is not easy at all.

TO get the food kiosk licence was more important than to have the capital to
start it. If one did not come from the group that had the information
and passed it amongst themselves, then chances of getting the kiosk were
very remote. Thus, even in what finally appears as "formal" allocation
of kiosks, a high degree of "informality" had earlier taken place.

    Outside food selling appears on the face value informal and
haphazard. A casual observer may also think that anyone can bring cooked
food, lay it outside any given factory and be instantly in business!
On the contrary, entering business of selling food is very complicated
In our case study, we found that ethnic identity was very important at
a general level to determine who gets space outside which industries and
along which streets. Spaces were therefore ethnically allocated in an
"informal" way from an outsider's view but which had become pretty
much "formalized" among the women food sellers. Over 90 percent of them
reported that a friend told them about the space appropriate for food
selling. We found that in 90 percent of the cases, this friend was a
co-ethnic. In our study of this particular subsector, the only Kikuyu
women we identified selling food outside one of the industries reported
that she was told about the space by her friend who was a Luo and a
member of her christian church -- both were born again Christians. This
was the only case among the women respondents. In the other cases
co-ethnics told each other about available spaces, supported each other in
first settlement, thereby, "colonizing" most of the outside food selling
spaces. Despite the fact that outside food selling was less prestigious
and usually had lower returns than kiosks, for 80 percent of the women
in our sample this was their only ways to contribute to the family budget.
Ethnic identity is informally a necessary prerequisite to entry in the
available spaces. This may explain why the Luo women continue to dominate
the outside food selling of the major streets in Nairobi's industrial area,
especially along Addis Ababa Road, Kampala Road and Likoni Road.

    Ethnic distinctions among the other subsectors was substantial
but not as vast as among the food sellers. The metal artisans were
ethnically distributed as follows: Kikuyu, 47 percent; Luo, 28 percent;
L hya, 3 percent; others (Mainly Kamba), 22 percent. Like the food
sellers, ethnic identity was very strong among the metal artisans.

Metal artisanry is one of the subsectors in the informal sector that
requires technical skills in order to make such items as farm tools,
cooking pots, metal boxes, frying pans, woks, water buckets, lanterns
and, many others. Previous studies of the artisans (King, 1977; Ngethe,
1984) show that training to acquire the relevant skills is mainly done
informally through apprenticeship and not in a formal institution. The
apprentices get their sponsors through social networks -- friends and
kin, but all from co-ethnics. Thus ethnic identification among the metal
artisans is not only important for the acquisition of space to operate
from, but also for the acquiring the skills necessary to start operating.
Some skills were safeguarded by/those who knew them and were only passed along
in a selective manner. In this case, the criteria of selection was
ethnicity.

A simple observation of the metal artisans shows ethnic
distribution by activity as follows: The Kikuyus mainly make metal boxes,
cooking stoves especially the improved "energy saving stoves"(jiko),
making and repairing aluminium cooking pots: the Luos were overrepresented
in making frying pans, wash basins, and woks; and the Kambas were mainly
in making metal boxes.

To elaborate this point and especially to show how safeguarded
some skils are, I present the case study of lantern making. The tin
lamp, which uses kerosene and a regular wick, appears as if it is so
simple that anybody can make one. It is not that simple and it requires
intensive training. There are some raw materials, for example, a special
kind of wax that must be used. Those who know where it is bought are
unwilling to share this information with others who are not their friends,
relatives, or co-ethnics. The tin lamp is an important source of light
for thousands of city homes without electricity. It is the main source
of light for most low income earners and the poor in Nairobi who live
in the major slums of Mathare and Kibera. Most rural homes also rely
on this for their lighting.

The chief tin lamp maker among the metal artisan (jua kali
operators) we studied is Mr. John Ngumba, a Kikuyu who comes from
Gaichanjiru in Muranga district. Of the ten tin lamp makers in the
"house" they occupy, eight are from the same village, Gaichanjiru, and two

are from Embu, a district that borders Central Province of Kenya where
Murang'a is located. We were interested in finding out why there was
such a "coincidence". Ngumba explained that there was an old man in
Gaichanjiru who had the skills of making tin lamps. He taught the
people in Ngumba's village starting with him. "When I learnt the skills,
I continued to teach other people in my home area, mainly friends and
relatives -- for example, my younger brother, who is right here in this
'house' with me but who is now on his own".

The significance of social networks in the transfer of skills
surpasses the possession of money. Ngumba emphasized teaching skills to
 friends and relatives, who were all co-ethnics, and not who came up
with money. He would rather forfeit money and teach the skills only
to those from his village. The strength of social networks in the
transfer of skills is evidenced in this case.

The Luos, on the other hand, predominantly make the frying
pans, wash basins and woks. Although a few Kikuyus and other ethnics
groups also made some, it was clear from our observations that the Luos
were far superior in making these items and theirs sold faster. They had
a better finish and customers preferred them to those made by the other
ethnic groups. The apprenticeship for learning how to make those items
was also based on ethnicity.

Ethnic biases were evident in allocation of spaces particularly
in the roof-shed that was sanctioned to be built by President Moi
when he visited the metal artisans in April 1986. The metal artisans
who operate under this roof-shed have a loose organization called
Kamukunji Metal Workers and Blacksmiths Organization. The chairman of
this organization, who is a Kikuyu had the final say, on who got a space
which is referred to as "house" in the roof-shed complex. Each "house"
measures ten by twenty feet and accomodates eight to ten people. Artisans
are expected to work there, store their tools and to sell their finished
products in front of the "house". There were more Kikuyus in these
houses, followed in number by Luos. Some Luo artisans (10 percent)
reported biases in the allocation in favour of the Kikuyus by a Kikuyu
chairman. Regardless of the reporting of this matter which was considered

sensitive especially because the chairman was influential - my observations
confirms that there were more Kikuyus than any other ethnic groups in
the "houses". "Other' affairs of the organization had ethnic biases
overtones, for example, the •election of artisans who may have qualified
to apply for loans from the Kenya Commercial Bank. This selection may
have led to an attempt to have ethnic ·balance at the organization's
leadership level. .At the time of our study, the chairman was a Kikuyu and
the secretary was a Luo, the two important officers of the organization.
It was evident however, that, the chairman controlled the affairs of the
organization. He was more educated and knowledgeable than the secretary
which may have the ·balance of control in his favour. Besides, he had the
support of the Kikuyu artisans who were the majority in the roof-shed.

The metal artisans are seen as future indigeneous manufacturers
who may save the country some foreign currency as they continue ·using
locally available materials for their products. They also produce goods
that are competitive in the market with those produced by big corporations.
Their labour intensify and ability to recruit new employees have made
them a darling of government spokesmen who support the informal sector.
This may also explain why the President visited them more than once in
1986-87. Within this context of state support ethnic composition may
be a potential problem for policy implementation. A policy of supporting
the metal artisans may need to consider ethnic composition of those it
is supporting. A potential problem based on the ethnic imbalance could be
avoided.

The impact of ·ethnicity is evident among the metal artisans.
It has essentially facilitated entry through transfer of skills and
allocation of spaces from where they operate. The practise of ethnicity
determining entry in the informal sector was more evident among those
artisans operating outside the roof-shed. My findings showed that
customers were more likely to purchase from fellow co-ethnics. They
usually thought that a co-ethnic may sell the same item cheaper than an
artisan from a different ethnic group. Some artisans actually did that on
days when business was very low. This was however, not always truer as the
artisans informed us. They try to set uniform prices. They preferred the
competition to be based on the quality and the finish ·of the products

rather than hiking and lowering of prices. The latter according to the
respondents would be interpreted as betrayal of the solidarity the artisans
wanted to portray to the outsiders.

Another subsector which also showed a strong ethnic identity
is the drum sellers. These are the most enterprising among all those in
the subsectors we studied. They have more capital, because to be a good
drum seller one needs to have a substantive starting capital, preferrably
not less than Kshs.2,000 (about $115). Since the drum sellers have many
customers, such as the metal artisans in Nairobi and many others who come
from all over the country, a good supply of materials is required. The
drum sellers reported more income than any of the operators in the other
subsectors we studied.

The ethnic distribution of the drum sellers is comparable to that
of the food sellers discussed earlier. The distribution was as follows:
Kikuyu, 80 percent: Luhya 13 percent; Luo, none;   Others 7 percent. Note
the significant absence of Luos in the drum selling subsector and the
predominance of the Kikuyu. The Kikuyu have literally "colonized" the
drum selling spaces in Shauri Moyo and along Jogoo Road which are the
main areas that this subsector is located in Nairobi. This has been
maintained mainly through transfer of information of an open available
space to co-ethnics. One Kikuyu woman respondent explained how she used to
sell drums on wholesale until one of her co-ethnics who was an employee of one
of her customers told her of an available space that she could occupy.
With the collaboration of the neighbours who sold their drums adjacent to the
available space, she occupied it and started selling drums. The neighbours
were also her co-ethnics. One of the few Luhya drum sellers explained to us
that his mother had learnt of the space through a Kikuyu man who was her
fiend and who had been one of the pioneers in the drum selling business.
Like in the case of food sellers, passing relevant information about
available space to operate business is more important than possession of
capital. The drum sellers confirmed this to be the case particularly
because they had capital to start off a business but did not do so until
co-ethnics showed them the way to enter into the available spaces. A
study done in Nairobi on passenger taxis (popularly called matatus) by
Mazingira Institute (1982) showed how difficult it was for a new "matatu"
owner to get a parking space at the terminus to load and off-load
passengers. Collaborating with those who already had the "right" of

occupying the parking spaces was the only way to acquire one. This
finding again disputes the "ease of entry" characterization of the informal
sector as long as it ignores the social dynamics involved in ensuring
entry.

The drum sellers portayed another dimension facilitating entry
besides ethnicity. This was regionalism. Not only were most of them
Kikuyus, but they were predominantly from specific regions, mainly
Nyeri (Othaya Division) and Murang'a (Kangema Division). These were the
two regions that were overly represented among the drum sellers. The
two regions are also neighbours and have had a long history of social
interaction through marriage. Thus a pattern of social ties that
facilitated entry in the drum selling subsector may be perceived
following direction of arrows as shown in figure 1.

Figure 1: Entry into the drum selling subsector:

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┌─────────────────┐
│ (Kikuyu)        │
│ ETHNICITY       │
└─────────────────┘

┌─────────────────┐
│ REGIONALISM     │
│ Nyeri and Murang'a │
└─────────────────┘

┌─────────────────┐                        ┌──────────┐
│ FRIENDSHIP      │──────────╲             │ DRUM     │
└─────────────────┘           ╲────────────│          │
                              ╱            │ SELLERS  │
┌─────────────────┐──────────╱             └──────────┘
│ KINSHIP         │
└─────────────────┘
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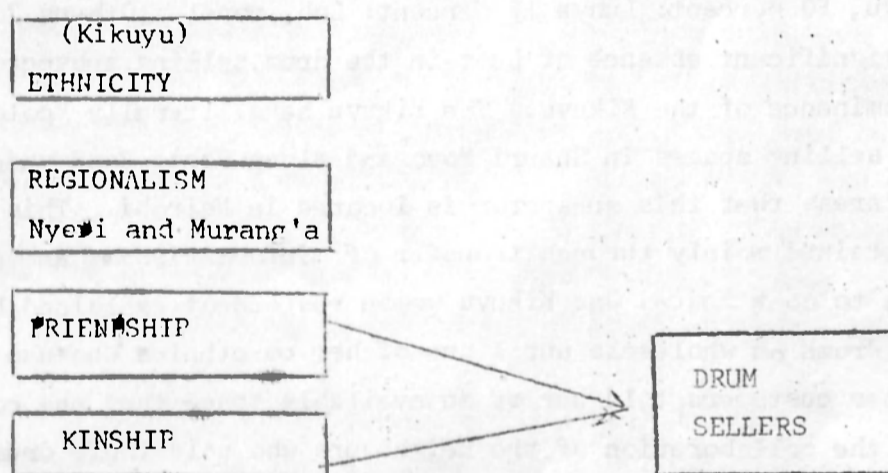
Figure 1 shows that the social dynamics at various levels were
at play to facilitate entry in the drum selling subsector. Such dynamics
we argue should not be taken for granted as they may actually have
adverse implication on policy towards such a subsector. For example,
when we were in the field, the drum sellers reported the possibility that
the government might relocate them to a more permanent place, more
spacious than their present location. They also hoped it would be a
location where they would be able to store and lock up their materials,
where they might be able to put up simple office space and install

telephone and electricity. These facilities were not available in ⌐⌐
their present location. Such a possibility was being discussed with the
local chief who was reportedly looking for an alternative favourable
location. While we consider such support a positive contribution towards
the informal economy by some state agents, the extent that this will be
supporting a specific ethnic groups in Nairobi, we think that such
cases of support be guided not only by economic concerns but social ones
as well. The latter have the potential of leading to ethnic tensions
which could in turn lead to political unrest and possibly poor economic
performance of these drum sellers. In other words, we are suggesting a
long term policy consideration of all factors at play and not a short
term one concerned with immediate economic gains.

The last subsector under consideration is the garment makers.
Garment maing was mainly done in the city markets. There were also
those who made garments in their homes. The ethnic distribution among
the garment makers was as follows: Luo, 63 percent; Kikuyu, 26 percent;
Luhya, 6 percent; others, 5 percent. In my sample, the Luo were over-
represented. This may be due to the sampling in various city markets,
some of which we found to be predominantly Luo. "Burma" market is a
good example. We were interested in finding out why this market was
predominantly Luo. As I had done in the case of food kiosks, I interviewed
a key respondent, a Luo man who had been in "Burma" market long enough to be
able to explain why it was largely Luo.

Our key respondent was in his mid-fifties and a resident of
Nairobi for twenty five years. He gave us four reasons for the predominance
of the Luos in Burma market, mainly in garment making and also other trades.
His first reason was that before and immediately after independence (1963)
the Luos who were in Nairobi started settling in Shauri Moyo and Kaloleni
and this market was located in this neighbourhood which they had already
occupied. Through the process of transfer of information that we have
discussed above and their proximity to the market, most stalls were allocated
to them. The second reason he gave was that most of the Luo got employment
with the East African Railways and so they were allocated staff houses in
Makongeni which is adjacent to this market. This again helped them in

getting first hand information about the establishment of the new market
and so they applied and got the stalls. Thirdly, he reasoned further,
as "Burma" market came up in a neighbourhood that was predominantly
occupied by the Luos, most of the customers were also Luos. This
brought problems of low sales for the other few ethnic groups which had
got stalls since the Luo customers patronized Luo businesses. The
members of the other ethnic groups who had businesses here decided to
abandon their stalls and look for places elsewhere due to lack of customers.
Fourthly, he concluded, the Luo who originally got the stalls when going
out of business or retiring started to pass the stalls to their relatives.
Ownership of stalls through "inheritance" has promoted Luo predominance
in this market. Ninety percent of the garment makers in this market were
Luo.

As in other subsectors discussed earlier, ethnic identity
facilitated entry in garment making. It was also important in the
transfer of skills through apprenticeship although the chances of a
garment maker going to a formal institution to acquire the skills was
much higher compared with any of the other subsectors that we studied.
I found that ethnic identity among the garment makers was not as important
as in the other subsector in the transfer of necessary skills. This may
be explained by the fact that there are many inexpensive formal
institutions that teach tailoring and in general the art of making clothes.
It was also evident that those who learned the skills through
apprenticeship depended on ethnic identity to get a sponsor.

ANALYSIS AND CONCLUSIONS

The discussion on the role of ethnicity in Nairobi's informal sector could be summarised in the following five points:

1.   Ethnicity has influenced allocation of premises on which to do business. This was evidenced by the food kiosks in Nairobi's industrial area.

2.   Ethnic identity influenced and to some extent determined the transfer of skills and technology. This made it difficult for others from different ethnic groups to enter certain trades of subsectors. The example of the Kikuyu from Gaichanjiru in Murang'a dominating the skills of tin lamp making clarifies this point.

3.   Ethnicity was found to be significant in establishing market and customers, hence ensuring survival and growth of a given economic activity. Two examples from our findings can clarify this point further. The first one is the case of the Luhya woman who established her food selling outside the glass factory on Addis Ababa Road whose empoyees were predominantly Luhya. Despite violent objection of the Luo women who were already established adjacent to this factory, the Luhya workers patronized their co-ethnic and her food selling became popular and overshadowed that of the Luo women. The second example can be extracted from the case of the Luo's continued dominance of the garment making in and other trades in the stalls of "Burma" market. The Luo who surrounded the market's neighbourhood were loyal customers to Luo traders hence the other traders from other ethnic groups had to leave as their sales dropped drastically. We also noted in this example the continuous dominance by the Luo of the stalls in this market through "inheritance" which is based on ethnic identity.

4.   Ethnicity actually determines entry in the informal sector as was
        evidenced by the various examples among the four subsectors.
        This practice may be closer to what Goran Hyden (1982) describes
        as the economy of affection. As we noted in the discussion above, the
        transfer of information is very important especially when space to be
        be allocated formally or informally is scarce. The examples of
        the Luo in Burma market, the Kikuyu in drum selling and in food
        kiosks and the Luo women selling food outside all clarify further
        the significance of ethnicity in necessitating entry into the
        informal sector.

5.   We found the concept of trust to be very important among all the
        informal sector operators. We also found that ethnicity and
        trust-building were closely linked. Ethnic identity especially
        in food selling determined whether one would be served food on
        credit to pay at the end of the month or in two weeks depending
        on when one was paid. We observed that it was more common for a
        Luo to serve food on credit to a Luo, a Luhya to a Luhya and a
        Kikuyu to a Kikuyu. The few instances that this was not the
        case ended up in problems. This was evidenced in the case where
        the Luhya woman served on credit to a man from a different ethnic
        group a Kisii. The Kisii man did not honour the payment when
        he had promised. He gave the Luhya woman various excuses and
        avoided to come to work during pay day. According to the food
        seller, he did that deliberately to avoid her. He could come to
        work on other days when he suspected he would not face the food
        seller. The Luhya woman lamented and regretted why she had given
        credit to this man. Her main concern was that he was from a
        different ethnic group and she swore not to repeat the same
        mistake ever again.

        One ethnic group which was underrepresented among the food sellers
did not seem to follow the above pattern, that is, ethnicity giving the
basis for trust and therefore consideration to give credit. This ethnic
group was the Kamba. According to one of the Kamba food sellers
(who was also our key respondent), she would rather give credit to
people from other ethnic groups than to her co-ethnics. Her explanation

was that the Kamba are jealous of each others' success and may never
pay back a credit with the aim of running down the business of their
co-ethnic. She also added that, in fact, they do not patronize her
food, especially when they had money. They only came to her when they
were without money and were looking for food service on credit. She usually
declined. Our observations confirmed her story as we found that very
few Kambas patronized her food. This case of one ethnic group is unique
as the opposite is true of other ethnic groups. They build more trust with
their co-ethnics who also patronized their businesses and were therefore
likely to be given small credits on services they could not afford
to pay promptly.

We have gone beyond showing the significance of ethnicity in
settling new migrants in the African cities like Nairobi as was noted
by earlier researchers. We have shown using our case studies, the
significance of ethnicity in establishing and developing economic
activities even those that may be regarded as simple and easy to enter
like the outside food selling.

In rejecting the "ease of entry" characterization of the informal
sector, we have advanced the need to evaluate the social composition of those
in the informal sector. We have also shown how relevant our understanding of
the social dynamics like those based on ethnic identity is a must for the
informal sector operators themselves and also those charged with policy
formulation and implementation.

. Finally, we underline the significance of ethnicity in both
social and economic spheres even in the modern urban centers in Africa like
Nairobi. Ethnicity did not melt away with urbanization and modernization as
had earlier been predicted. Indeed, it has re-emerged as urban ethnicity
which as we have argued is more evident where scarcity of resources is
prevalent. This happens to be the case in Nairobi as well as in most other
cities in Africa and the rest of the third world.

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