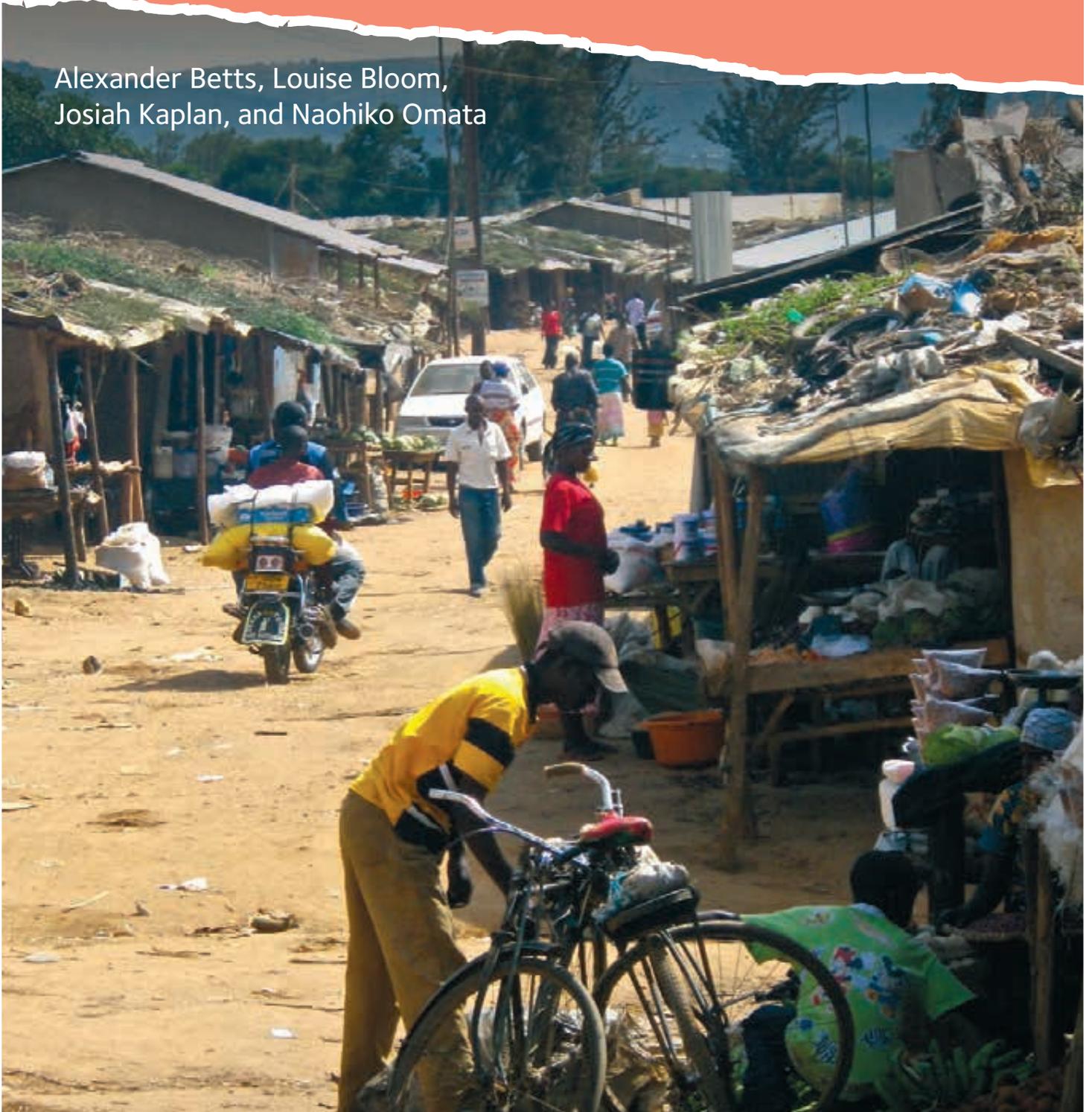




Refugee Economies

Rethinking Popular Assumptions

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Credit: N.Omata



Kagoma weekly market in Kyangwali, Uganda

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Cover photo: Isangano market in the centre
of Nakivale refugee settlement, Uganda.

Credit: N.Omata

Preface

In the words of UN High Commissioner for Refugees, Antonio Guterres, we face ‘the most serious refugee crisis for 20 years’. Recent displacement from Syria, Afghanistan, Iraq, South Sudan, and Somalia has increased the number of refugees in the world to 15.4 million. Significantly, some 10.2 million of these people are in protracted refugee situations. In other words, they have been in limbo for at least 5 years, with an average length of stay in exile of nearly 20 years. They are frequently confined to closed camps and settlements, and deprived of the right to work or to move freely.

Existing approaches to protracted displacement are failing. They are inefficient, unsustainable, and lead to dependency. A humanitarian response designed for the short-term too often ends up administering long-term misery. Rather than transitioning from emergency relief to long-term reintegration, displaced populations too often get trapped within the system. This benefits nobody. The existing paradigm fails to adequately recognise that refugees and other displaced persons have talents, skills, and aspirations. A rethink is urgently needed.

Despite the constraints placed on displaced populations by their regulatory environment, vibrant economic systems often thrive below the radar. This sometimes takes place in the formal sector or, where it cannot, it may develop within the informal economy. Refugee communities engage in production, consumption, exchange, entrepreneurship, and the development of financial and capital markets. They have many of the core features of any other economic system.

‘Refugee economies’ remain under-researched and poorly understood. Few economists work on refugees. There is a lack of good data available

on the economic lives of displaced populations. Existing economic work on refugees tends to focus narrowly on refugee livelihoods or on the impact on host states. Yet, understanding these economic systems may hold the key to rethinking our entire approach to refugee assistance. If we can improve our knowledge of the resource allocation systems that shape refugees’ lives and opportunities, then we may be able to understand the mechanisms through which those market-based systems can be made to work better to turn humanitarian challenges into sustainable opportunities.

This publication is an attempt to take refugee economies seriously. It is the first publication of our qualitative and quantitative data on the economic life of refugees. It draws upon extensive participatory research carried out in Uganda in two refugee settlements and the capital city, Kampala. We chose to focus initially on Uganda because it represents a relatively positive case. It is a country in which the government has taken the positive step to allow refugees the right to work and a significant degree of freedom of movement. It potentially allows us to show the boundaries of the possible if refugees are given basic levels of freedom.

Our research findings are organised around five popular myths – 1) that refugees are economically isolated, 2) that they are a burden on host states, 3) that they are economically homogenous, 4) that they are technologically illiterate, and 5) that they are dependent on humanitarian assistance. In each case, we show that our data challenges or fundamentally nuances each of those ideas. We show a refugee community that is nationally and transnationally integrated, contributes in positive ways to the national economy, is economically diverse, uses and creates technology, and is far from uniformly dependent on international assistance.



Alexander Betts
Director, Humanitarian
Innovation Project

Executive Summary

- There is a lack of research that examines the economic lives of refugees and displaced populations. The limited research that exists is mainly focused on refugee livelihoods or economic impacts on the host state.
- The concept of ‘refugee economies’ is used to represent the entire resource allocation system relating to a refugee community. It looks at refugees’ economic lives holistically and from the standpoint of the people themselves.
- This study is based on extensive qualitative and quantitative research in Uganda, conducted using participatory methods. The quantitative data is based on a survey of 1,593 refugees in Nakivale and Kyangwali settlements, and Kampala.
- The data challenges five popular myths about refugees’ economic lives. It contests common assumptions that refugee economies are 1) isolated, 2) a burden, 3) homogenous, 4) technologically illiterate, and 5) dependent on humanitarian assistance.
- Refugees are networked within settlements, nationally, and transnationally. Both refugee and Ugandan traders connect refugee settlements to wider economic systems.
- Refugees often make a positive contribution to the host state economy. These contributions are exemplified by the significant volume of exchange between refugees and Ugandan nationals, as well as by refugees’ creation of employment opportunities for Ugandan nationals.
- Refugees are economically diverse and have significant levels of internal inequality. They have a range of different livelihood activities; some are successful entrepreneurs.
- Refugees are users and, in some cases, creators of technology. They have higher levels of internet use than the general population, use mobile phones extensively, and frequently adapt their own appropriate technologies.
- Although many refugees do receive humanitarian assistance, most are more dependent on other social relationships, aspire to receive other forms of support, and in many cases create sustainable livelihood opportunities for themselves.



Credit: N.Omata

Trucks transporting goods in and out of Nakivale settlement

Exploring ‘Refugee Economies’

In theory, international response to refugees should pass swiftly from emergency assistance to a so-called ‘durable solution’.

Yet, in practice, solutions are often unavailable for political reasons. Opportunities for reintegration into the state system are too often simply not available to refugees. The result is that they are left for many years in camps, settlements or impoverished urban areas, with limited socio-economic rights and opportunities.

It has long been recognised that a better alternative to protracted limbo and long-term encampment is what has been framed as ‘self-reliance’ – essentially finding ways to offer refugees freedom of movement, the right to work, and support in the pursuit of their own economic opportunities, pending going home. In order to try to support such opportunities, the international community has been through numerous historical attempts to close the so-called ‘relief-to-development gap’, and to try to include refugees within development plans.¹

However, external interventions to enhance self-reliance have had limited success. This lack of progress has sometimes been because of resistance by host governments, the unwillingness of humanitarian and development actors to work together, or the lack of funding for development-based approaches to refugee assistance. In other cases, it has been because such approaches have been poorly conceived. Around the world, international organisations’ so-called ‘livelihoods projects’ for refugees have often had limited impact,² being abstracted from a holistic understanding of the economic systems within which those interventions take place.

In spite of the constraints they face, many refugee communities around the world are, in the words of one practitioner, ‘doing it for themselves’ when it comes to seeking solutions to their own economic challenges.³ Whether in the formal or informal sectors, refugee communities are often integrated within vibrant and complex economic systems. Recognising and understanding this represents an opportunity to turn humanitarian challenges into

sustainable opportunities. It has the potential to unlock ways to enable those economic systems to be channeled to the benefit of refugees, host states, and donors, as well as possibly offering a neglected opportunity for private sector entrepreneurship.

However, we lack conceptual clarity or good data on the economic lives of refugees and displaced populations. Where political economy analysis has been undertaken, it has mainly focused on one of two areas. First, it has examined ‘livelihoods’ – the ways in which refugees engage in income-generating activities.⁴ This has entailed research on the range of activities through which refugees seek employment or self-employment, as well as assessing the impact of external livelihoods projects and interventions. Second, some work has explored the economic impact of hosting refugees on host states.⁵

In order to advance research and practice, we work with the preliminary concept of ‘refugee economies’ – broadly defined as ‘the resource allocation systems relating to a displaced population.’ The concept is intended to be holistic in attempting to look at ways in which refugees’ economic activities are not simply reducible to livelihoods but are part of a wider system involving consumption, production, exchange, and finance. It also reflects an attempt to provide a ‘bottom-up’ perspective by exploring refugees’ economic lives from the perspective of the people themselves rather than from the ‘top-down’ perspective adopted in studies concerned primarily with assessing the impact on host states or informing narrowly-defined policy interventions.

Refugee communities are often integrated within vibrant and complex economic systems. Recognising and understanding this represents an opportunity to turn humanitarian challenges into sustainable opportunities.

1. Betts, A (2009), ‘Development Assistance and Refugees: Towards a North-South Grand Bargain’, Refugee Studies Centre Policy Brief No. 2 (Oxford: RSC). 2. Overseas Development Institute (2013), ‘Assessment of Livelihood Projects Targeting Internally Displaced Persons and Refugees’, (London: ODI). 3. Crisp, J (2014), ‘In Search of Solutions: Refugees Are Doing it For Themselves’. Keynote Address, Refugee Voices Conference, Refugee Studies Centre, 24 March, Oxford. 4. For an overview of existing research in this area see: Jacobsen, K (2014), ‘Livelihoods and Economics in Forced Migration’, in Fiddian-Qasimiyeh, E et al (eds), *The Oxford Handbook of Refugee and Forced Migration Studies* (Oxford: Oxford University Press), chapter 8. 5. Fiddian-Qasimiyeh, E, Ruiz, I, Vargas-Silva, C, and Zetter, R (2012), ‘Assessing the Impact and Costs of Forced Displacement: Mixed Methods Approach’ (Washington DC: World Bank); Danish Refugee Council (2010), ‘In Search of Protection and Livelihoods: Socio-Economic and Environmental Impacts of Dadaab Refugee Camps on Host Communities’ (Copenhagen: Danish Refugee Council).

Number of surveyed households

	Congolese	Somali	Rwandan	S. Sudanese	Total
Kampala	193	181	203	0	577
Nakivale settlement	252	237	243	0	732
Kyangwali settlement	142	0	0	142	284
Total	587	418	446	142	1,593

Research methods

In order to explore refugee economies further, we conducted extensive field research in Uganda during 2013. Our methodology combined qualitative methods, gathered through a range of ethnographic and participatory approaches, and quantitative methods based on a large-scale survey of 1,593 refugees in Nakivale, Kyangwali, and Kampala.

In each of the three research sites, and across several Ugandan towns and cities important to refugee-host state economic interaction, we drew upon a wide range of qualitative research techniques including unstructured and semi-structured interviews, focus group discussions, participant observation, transect walks, and participatory mapping. We conducted livelihood mapping and wealth breakdown exercises to understand general and specific features of refugees' economic activities in relation to their socio-economic status. During this part of our research, we spoke to Congolese, Rwandan, Somali, Burundian, South Sudanese, Ethiopian, and Eritrean refugees and interviewed a wide range of non-refugee stakeholders, including Ugandan nationals, Ugandan government representatives, staff of the United Nations Office of the High Commissioner for Refugees

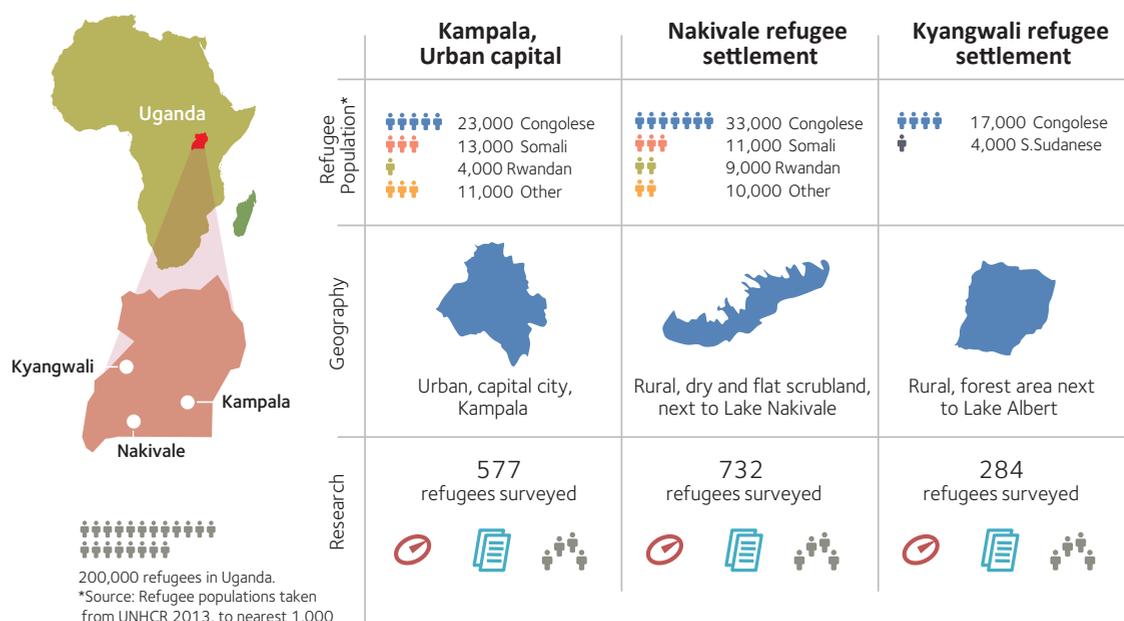
(UNHCR), and UNHCR implementing partners.

The data set resulting from the large-scale survey of 1,593 refugees represents, to our knowledge, one of the largest contributions of quantitative data on the economic lives of refugees in the literature to date. Respondent populations were drawn from the largest nationalities in each of our three sites, including Congolese, Somali, and Rwandan respondents in Nakivale; Congolese and South Sudanese respondents in Kyangwali; and Congolese, Somali, and Rwandan respondents in Kampala. Using the latest UNHCR-provided data available, we generated a representative sampling strategy for each site. For both rural settlements, a random sampling approach was employed, using interval selection of households by nationality and across a distribution of villages.

In Kampala, we faced the challenge of identifying and reaching refugee households hidden (often by choice) within a much larger city environment. As a solution to this 'needle in the haystack' dilemma common to urban refugee sampling, we employed respondent-driven sampling (RDS), a pioneering sampling methodology increasingly used by social researchers trying to penetrate hard-to-reach populations. RDS enables researchers to

Refugee Statistics (Figure 1)

Highlights of refugee numbers and research in Uganda across the three research sites



Mixed research methods, participatory approaches and over 300 qualitative interviews over all three research sites

combine the efficiency of purposive ‘snowball sampling’ – in which subsequent waves of individual respondents recommend new contacts from their own, sometimes guarded personal networks to be interviewed – with a mathematical model that introduces the rigour of randomness to collected data.

Our survey data was collected with the assistance of our team of over 40 refugee enumerators, overseen by our three Ugandan research managers and made possible by the generous assistance of staff from both UNHCR and the Department of Refugees, Office of the Prime Minister of Uganda (OPM). At the time of writing, this data is currently un-weighted; preliminary analysis of our sample, however, has already revealed interesting new insights into the daily economic life of refugees in Uganda.

Participatory approach

At the core of HIP’s research philosophy lies a strong commitment to promoting refugee participation and capacity. To this end, we relied on a participatory research methodology, based on the contributions of more than 40 refugee researchers, enumerators, and assistants. The team included Congolese, Somali, Rwandan, Ethiopian, Burundian, and South Sudanese refugees. Through a rigorous hiring process, we selected individuals with strong pre-existing academic skills, extensive networks within

and across the research sites, and most importantly, an enthusiasm for and proven dedication to improving livelihoods in their own communities.

Our core team of 18 refugee peer researchers not only facilitated access to networks that enabled deep penetration into their own communities, but was also given responsibility and independence to lead their own, self-directed research into key economic activities. Held to a high standard of academic rigour, they were provided with continuous training in a wide range of social research methodologies over the course of the project.

Our refugee team members improved their capacities as researchers during this process, a legacy which has left them better equipped to explore and describe, in their own voices, the realities, challenges, and opportunities which face their own communities. In exchange, they provided HIP with data of exceptional quality and novelty which would have been otherwise unobtainable using a less participatory approach. Our core refugee research team was joined by refugee enumerators in conducting the survey in Nakivale, Kyangwali, and Kampala. In all of these tasks, our refugee researchers and enumerators were managed by HIP’s three Ugandan research coordinators, who also conducted research into the main sites of economic engagement between refugees and the host state economy.



HIP meeting in Nakivale with refugee film-maker

Credit: A. Betts

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Abdullahi Mahi,
Somali RA



Kiflu Hussain,
Ethiopian RA

Kyangwali



Ntakamaze
Nziyonvira,
Congolese RA



Angelique Kabami,
Congolese RA



Cosomos Lugala,
S.Sudanese RA

Myth 1

Refugees as Economically Isolated?

The public perception of refugees throughout the global south tends to be of displaced populations living in designated camps, located in remote areas cut off from the outside world.

When multiple populations are squeezed into one camp or settlement, the perception is of refugees living in isolated socio-economic blocks, divided from each other on national, ethnic, or religious lines. In non-camp environments, refugees are perceived to survive in enclosed 'enclave economies' – in which each national group remains isolated in stark socio-economic segregation. From these stereotyped images, refugees are in turn assumed to be largely physically and economically isolated from their host communities.

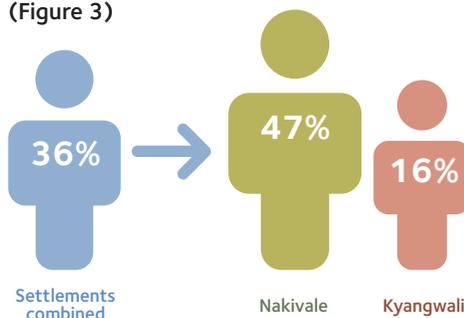
Contrary to this conventional wisdom, however, our research findings reveal that refugees' economic lives in Uganda do not exist in a vacuum shut off from the wider economic structures of their host country. Instead, within Nakivale and Kyangwali settlements, refugees cross national, ethnic, and religious lines on a daily basis to trade and exchange. Despite the remote location of rural refugee settlements, these sites are 'nested' in the local Ugandan economies, attracting goods, people, and capital from outside to their active internal markets. In urban settings, self-settled refugees are even more directly connected to the wider host economy and international business networks.

Refugee livelihoods as part of intra-settlement networks

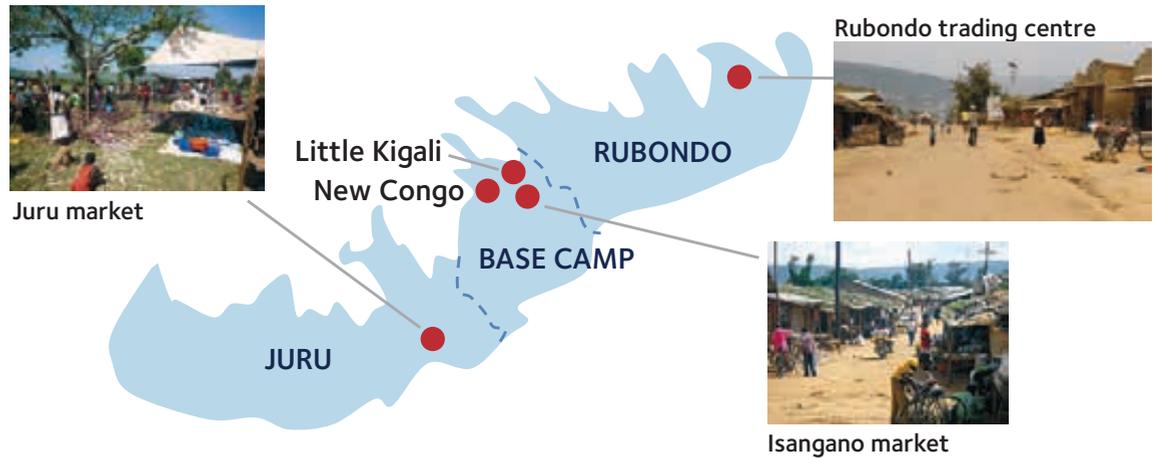
While refugees of the same nationality tend to concentrate in specific areas of both Nakivale and Kyangwali, there is evidence of dense economic interactions between refugee communities of different nationalities within the settlements. Settlements in Uganda normally host refugee populations from several different countries. As of 2013, Kyangwali accommodates refugees from six different countries, while Nakivale hosts more than ten. According to our survey, on average across these rural settlements, 36% of refugees identify refugees from other nationalities as their business' most important customers. Indeed, both settlements are saturated with an active in-kind and cash economy based on internal trade across their refugee populations, and carried out via a network of trading centres and markets.

This is particularly true in Nakivale, where respondents identify a higher proportion of refugees of other nationalities as their key customer than Kyangwali, a result of the settlement's comparatively greater diversity of refugee nationalities. Nakivale consists of three large zones – Juru, Rubondo and Base Camp – each featuring markets and trading centres of their own. Among these fixed trading centres, Base Camp operates as the settlement's 'central business district', containing in one single zone the largest trading centre in Nakivale, Isangano market, a larger Rwandan trading centre known as 'Little Kigali', and a Congolese market known as 'New Congo'. A number of daily, weekly and monthly markets can also be found in all three zones, and along the outskirts of the settlement. Across each of the sites of trade throughout Nakivale, refugees from different nationalities sell their own crops, shop for goods and exchange services with one another.

% of refugee businesses with refugees of other nationalities as the largest customer (Figure 3)



Nakivale refugee settlement (Figure 4)



We encountered many clear indicators of economic interdependence between refugees operating in these markets and trading centres. As one example, market stalls along the main market street of Base Camp 3 – the primarily Somali-concentrated village in Nakivale – display rows of agricultural produce such as tomatoes, cabbage, and beans. Since the vast majority of Somali refugees do not engage in farming, Somali vendors in Base Camp 3 rely instead on purchasing these crops from Congolese, Rwandan, Burundian and other refugee farmers inside the settlement. Non-Somali refugees, in turn, benefit from the opportunities provided by Somali business. Congolese and Rwandan refugees purchase certain types of merchandise, such as electronic and beauty items, from the well-stocked Somali refugee traders that are unavailable elsewhere in Nakivale. When they need to travel to Kampala and Mbarara, non-Somali refugees also use a Somali-run mini-bus service. Interestingly, some Congolese refugees are also employed by Somali families for construction and domestic work.

Refugee livelihoods as part of national networks

In addition to networks of economic interaction between refugees of different nationalities within Nakivale and Kyangwali, linkages also exist between the settlements themselves and the wider national economy of Uganda outside their borders.

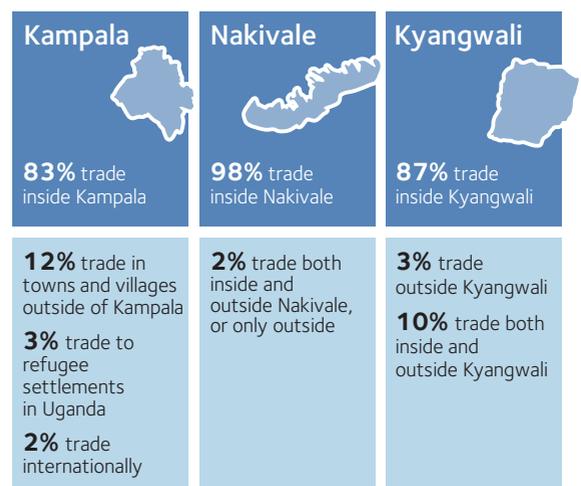
Nakivale and Kyangwali refugee settlements are both located in Uganda’s rural countryside, separated by long distances and poor roads from their nearest urban commercial centres of Mbarara and Hoima, respectively. Populations in both sites tend to remain within their settlement borders when conducting livelihood activities: for instance, out of 621 self-employed refugee businesspeople in Nakivale and Kyangwali identified in our survey, less than 10% regularly venture outside the settlement to earn a living. These refugees are by no means isolated

economically from the broader Ugandan economy; rather, they regularly interact in a variety of ways with the wider host state market.

Ugandans are important customers for settlement-based refugees. Each day, a significant number of Ugandans visit refugee settlements from neighbouring villages and cities such as Hoima, Mbarara, and Kampala to purchase products and services. They are supported by Ugandan regulations which permit local nationals to freely move in and out of refugee settlements as long as they hold formal permission. Such visits play a central role in the economic life of many refugees. As illustrated in Figure 6, when asked who the most important customer is for their business, 26% of our refugee survey respondents in Nakivale and Kyangwali identified Ugandan nationals as their largest buyers.

Why do Ugandans travel all the way to visit these remote settlements to do business? As interviews with Ugandan visitors revealed, many of them are attracted by the high yields of good-quality

Where do refugee entrepreneurs conduct their businesses? (Figure 5)



Vehicles carrying goods in and out of the settlement, passing on the road to Nakivale

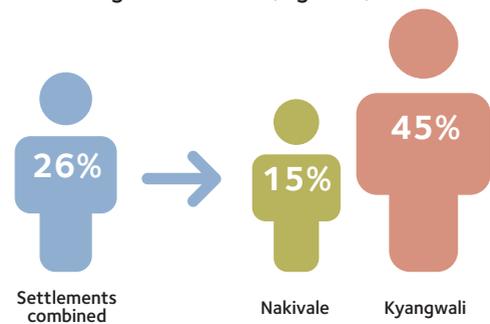


agricultural crops produced by refugee farmers in Nakivale and Kyangwali. These two settlements are situated in rural localities with soil rich for crop-growing, which encourages the vast majority of refugees in both to engage in agriculture, primarily growing maize, beans, sorghum, cassava, and potatoes. Surpluses of these agricultural crops attract hundreds of Ugandan middlemen and crop traders into the settlement markets.

This dynamic is exemplified by the trade network that has arisen around refugee-grown maize, one of the staple foods in Uganda. In Kyangwali's case, Ugandan middlemen and crop traders travel each day to the settlement's market, where they purchase tons of maize from refugee farmers. A visitor during harvest season will pass by numerous Ugandan trucks and mini-vans travelling out of Kyangwali's main road, loaded high with sacks of maize purchased from refugee farmers. These Ugandan buyers bring the maize for sale to district markets in Hoima, further on to Kampala and other Ugandan cities, and even into neighbouring countries such as South Sudan, Tanzania, Kenya, and Rwanda.

During these exchanges, the image of isolated and inwards-looking refugees engaged solely in 'subsistence farming' gives way to a more networked reality – one in which refugee farmers are linked to national and even sub-regional supply chains of agricultural production. Ronny, one Ugandan crop wholesale trader in Hoima, spoke to us about his business, and the dense

% of refugee businesses with 'Ugandans' as the largest customer (Figure 6)



interactions he frequently observes in Kyangwali between Ugandan buyers and refugee farmers:

Since 1998, I have been buying crops from Kyangwali settlement. During the harvest season, I visit Kyangwali frequently...Last year, I think I bought 500 tons of maize and beans from Kyangwali...I re-sell these crops to many people. Inside Uganda, I sell to traders in Kampala, Arua, Gulu, and Nebbi...Outside Uganda, I sell maize to traders in Tanzania and South Sudan. I have 20 regular customers in Tanzania and 10 in South Sudan...My main trading crop is maize and 60% of my maize stock is from Kyangwali. In Hoima, there are many traders who buy crops from refugees like me.

Maize is just one avenue through which Uganda's refugees are linked to their host country's broader economy. Our research reveals multiple examples of the dense economic linkages between

Refugee-grown maize trade network (Figure 7)



Ugandan nationals and refugees living inside the settlement. Despite their relative geographic remoteness, our observations of day-to-day life in Nakivale and Kyangwali therefore show refugee settlements functioning as centres of economic gravity, attracting people and capital from all over Uganda and, in turn, playing a crucial role in the agricultural supply chain of the country.

Refugee livelihoods as part of global trade networks

Another striking rejoinder to the notion that refugees' economic lives are predominantly isolated can be seen in refugees' involvement in global value chains. For example, Somalis are widely known to conduct transnational business, enabled by extensive clanship and religious networks. This dynamic, 'networked' characteristic of Somali communities is well-recognised by Somali refugees themselves, many of whom emphasised the important role of well-established trade connections across Uganda and the wider East African region in their economic livelihoods.

In Nakivale, for instance, approximately 11,000 Somali refugees are concentrated in a large single village, Base Camp 3. Given their nomadic and commercial background, the vast majority of these Somali refugees tend to reject agricultural activities as a culturally-foreign concept. Instead, they prefer trade. Most Somali arrivals in Nakivale tend to quickly rent their allotted farm plots to other refugees, often using the profits to fund small businesses.

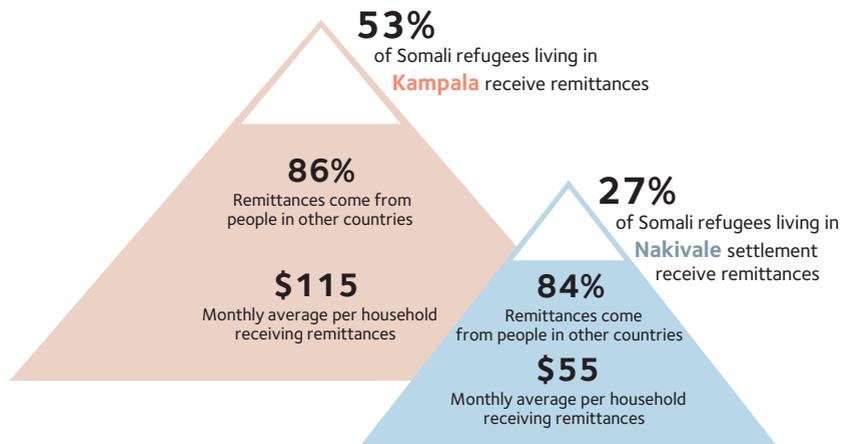
Small shops are a common business venture for Somali refugees, and the Somali shops we encountered within Base Camp 3 are notably better-stocked and more organised than those owned by other nationalities elsewhere in Nakivale. Somali shops often operate at a higher level of scale and sophistication than their Congolese, Rwandan, or Burundian counterparts, stocking a wider diversity and quality of goods from basic kitchen goods to hard-to-find luxury products including perfumes and electronics. Moreover, this stock shows clear evidence of Somali trade networks extending far outside Uganda, much of it being imported from Kenya and as far as Dubai and China.

We interviewed the owner of one such trader's shop in Base Camp 3. His best-selling item, canned tuna, provides a deceptively simple illustration of the global reach of Somali trade networks. Demand for tuna is high among Nakivale's Somali population, who enjoy fish but do not eat the types caught in nearby Lake Nakivale. To meet this demand from his community, the shop owner purchases tuna originally produced in Thailand and imported to Dubai. From Dubai, the cans are imported via

Somali-run trade networks into Kenya, across the Kenyan-Uganda border from Mombasa into Kampala, and finally from Kampala to this small mud-and-daub shop in rural Southern Uganda.

Enabling the scope and scale of Somali refugees' global networks is the influx of remittances many receive from Somali diaspora communities. Often these remittances are used as the initial capital to embark on new business. According to our survey, Somali refugees have much higher access to international remittances than other refugee groups. In Kampala, for instance, more than 50% of Somali respondents are constant beneficiaries of overseas remittances. In the

Remittances to Somali refugees (Figure 8)



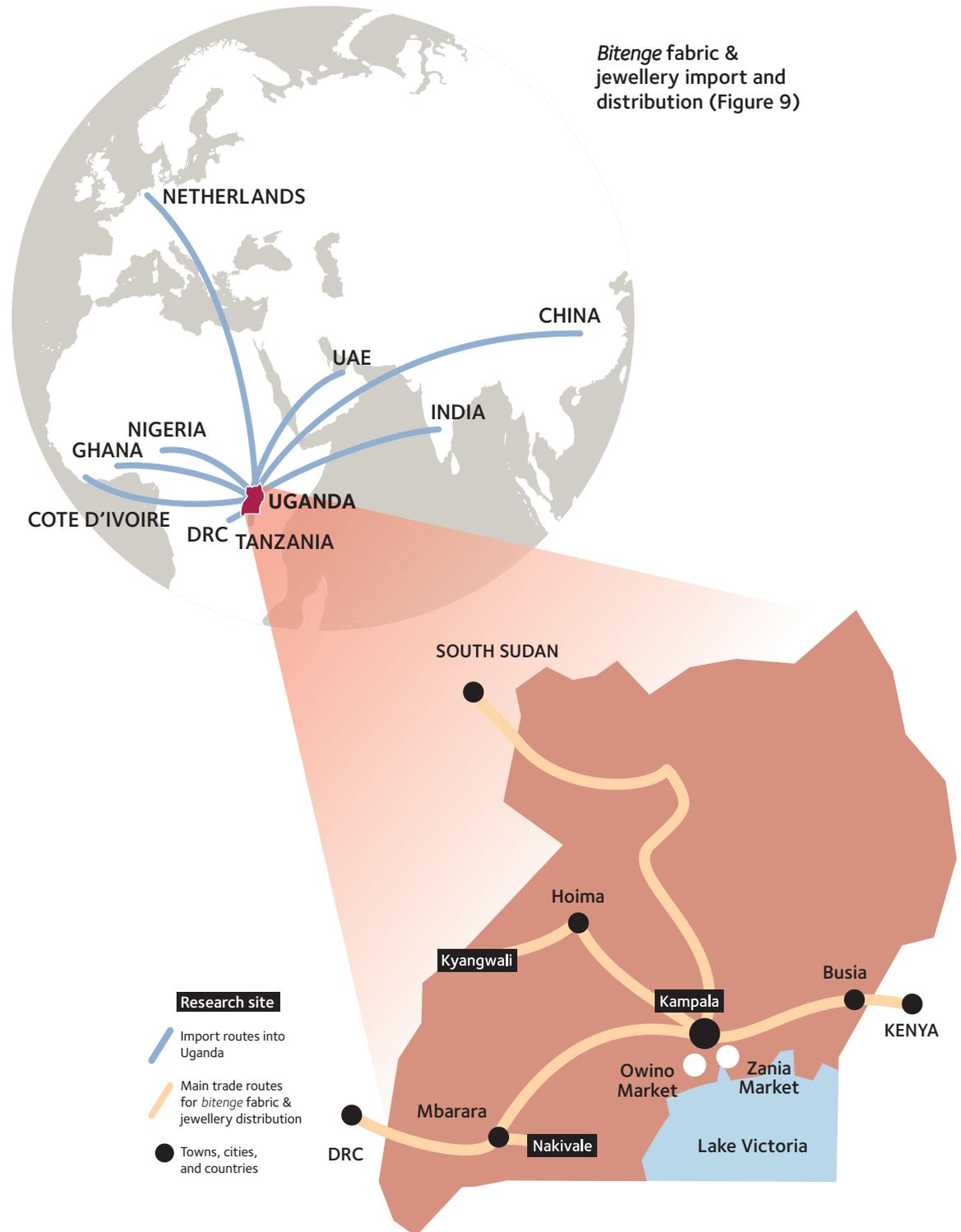
rural settlements, nearly 30% of Somali respondents report that they regularly receive remittances. The vast majority of this financial assistance is sent from their friends and relatives living in industrialised countries

In Kampala, many refugee business activities are even more 'globalised'. One common economic activity among refugees in the capital is brokerage between their country of origin and Uganda. Refugees often move back-and-forth between two different countries. We came across one Burundian refugee broker who receives purchase orders for housing and construction materials from Burundi and delivers them to wholesalers in Burundi. Several Congolese refugee brokers purchase plastic items such as jerry cans, water tanks, buckets, and basins in Kampala, exporting them in turn to retail sellers in the Democratic Republic of Congo (DRC). These refugee brokers serve as catalysts, linking demand and supply across borders.

Rwandan refugees who sell used clothing and shoes likewise engage in a global trade network that brings large containers full of donated or discarded clothing and shoes from North America, Europe, and China.

These products are brought into the country via Ugandan, Indian and Chinese importers, who then supply Ugandan wholesalers. Finally, from these wholesalers, large numbers of Rwandan refugee vendors purchase their daily stock to sell on the streets of Kampala, or at stalls in one of the large used clothing and shoe complexes in the capital. Among

Congolese female refugees in Kampala, selling *bitenge* – a brightly-coloured fabric – and jewellery are popular income-generating activities. These vendors purchase their stock largely from Ugandan wholesalers in Kampala’s central markets, who have imported the jewellery from a diverse range of foreign producers located in China, India, Dubai, and DRC.



Myth 2

Refugees as Burden?

Refugees are commonly portrayed as a burden on host states. This is sometimes contested by advocates who claim that refugees make an economic contribution to their host communities.

However, this ‘burden versus benefit’ debate has generally lacked reference to empirical data. Our research findings speak to this gap, providing evidence that refugees in Uganda do make important positive contributions. A considerable number of Ugandan businesses rely heavily on refugees as suppliers, customers, distributors, and employees. In this process, we encountered many examples of refugees contributing to Uganda’s local and national economies, whether buying, selling, or even training and employing Ugandan nationals.

Refugees as buyers of products and services in the host economy

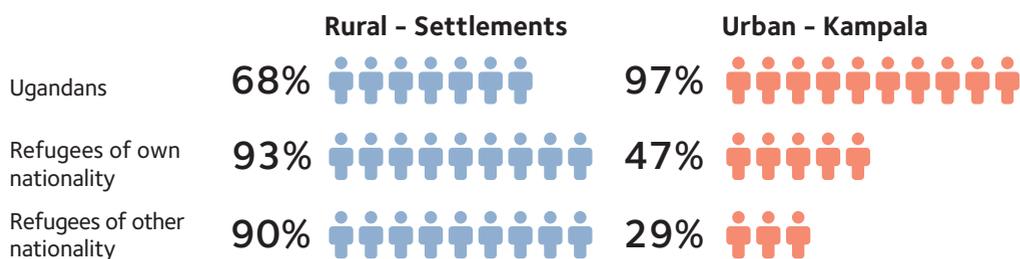
One of the most visible ways in which refugees directly contribute to the Ugandan host economy is by exercising their purchasing power. Refugees are regular customers for Ugandan businesses, both in Kampala and the settlement areas. In our survey, we asked refugee households, for example, from whom they regularly purchase daily goods such as food, charcoal, candles, stationary, and mobile phone credits. In Kyangwali and Nakivale, approximately 90% of refugees buy these daily items from other refugees. 68% of them also buy the same products regularly from Ugandans. In Kampala, fewer respondents buy from fellow refugees, while even more – 97% – buy their daily necessities from nationals.

Ugandan vendors make regular trips to settlement markets in Nakivale and Kyangwali from nearby villages, where they seek refugee customers.

Other Ugandan wholesalers sometimes travel from urban centres such as Hoima, Mbarara, and Kampala, bringing their merchandise to distribute via refugee retail shops. Even when refugees buy from refugee-run shops within their own settlement villages, these shops are often linked to a distribution network that generates profits for local Ugandan enterprises. Describing one such arrangement, the manager of a Ugandan beverage wholesale company in Hoima explained:

We are one of the major wholesalers of Nile Brewery items and distribute them to more than 200 contractors in Kyangwali district...Kyangwali refugee settlement is one of our important selling

Who do refugees buy daily goods from? (Figure 10)



Respondents were able to select multiple answers, therefore aggregation goes beyond 100%

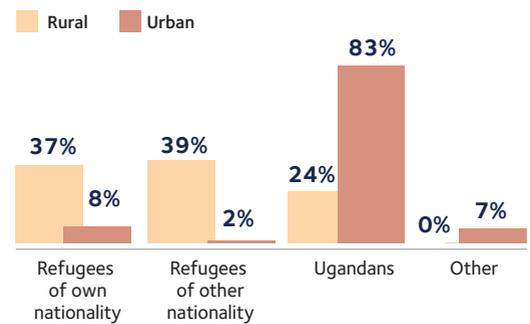
points. Twice a month, we go to the settlement and distribute 300-400 crates of beverage to refugee shops in Kyangwali. We have 7 refugee contracted shops there.

Other refugees travel outside of Nakivale and Kyangwali to purchase basic necessities from Ugandans which they cannot get from shops within the settlements. Refugee farmers in Kyangwali, for example, will sometimes go to Ugandan merchants in neighbouring local villages to buy agricultural seeds, pesticides, and fertilisers, with a small number of refugees undertaking longer journeys to Hoima, Mbarara, and Kampala for more specialised purchases. In Kampala, unsurprisingly, urban refugees tend to buy their daily goods from the plethora of Ugandan shops surrounding their homes.

Examples such as those discussed above were encountered numerous times across our research, and reflect the simple but important observation that the daily economic life of many refugees directly benefits Ugandan businesses. When we interviewed a retired executive of the Kyangwali district council, he noted the significance of these refugee contributions to the local community:

I have my own farm in the nearby village and grow fruits. I bring them to sell in Kagoma market [the largest market in Kyangwali held every Tuesday]. My customers are mostly refugees. They are important customers for many of local shops...I have been living in Kyangwali area since 1998. Since refugees came in, we have received a number of economic and social benefits from them. School, road, clinic – all improved due to their presence. It is hard to imagine Kyangwali's economy without the refugees' presence.

From whom do refugees buy goods and services for their main businesses? (Figure 11)



Charcoal purchased from a Ugandan trader, in storage for a Congolese refugee business in Nakivale

Credit: L. Bloom

Congolese refugee sellers of *bitenge* and jewellery

For some business sectors, refugee patronage is particularly important. Robert, a HIP researcher and himself a Congolese refugee living in Kampala, helped us explore one such example, the Ugandan *bitenge* and jewellery trades. Here, he shares some of his findings and experiences working with HIP.

As a HIP researcher and a member of the Congolese refugee community in Kampala, I explored some of the main livelihood activities that my neighbours engage in to earn a living.



Photo: *Bitenge* fabric for sale in Kampala

One of the most common income-generating activities for many Congolese refugees in Kampala is the selling of small jewellery pieces and *bitenge*, a brightly-coloured fabric. Congolese refugee hawkers sell jewellery and *bitenge* individually on the streets of Kampala, carrying small packages of necklaces and rings, or a few yards of *bitenge* fabric at a time. Although margins are small, street vending is still popular among Congolese refugees because the initial investment needed to begin selling is low (around 20,000 Ugandan shillings, equivalent to about 8 USD), and because many Ugandans trust Congolese refugees as sellers of high-quality jewellery and *bitenge* products. Many Congolese refugees sell both products simultaneously, or shift back and forth between selling one or the other.

Congolese refugee sellers of *bitenge* and jewellery purchase their stock largely from Ugandan retailers and wholesalers. It is here that these refugees directly serve as customers and distributors for Ugandan businesses. Congolese jewellery sellers, for instance, come to 'Gazaland', a shopping complex near Kampala's central Owino market each day, where more than 35 separate jewellery wholesalers crowd the four-story high building complex. The shops range in size, featuring large glass cases filled with products and jewellery bags hanging from the walls behind the counter. They are predominantly owned by Ugandan merchants, who import the jewellery from China, India, Dubai and DRC.

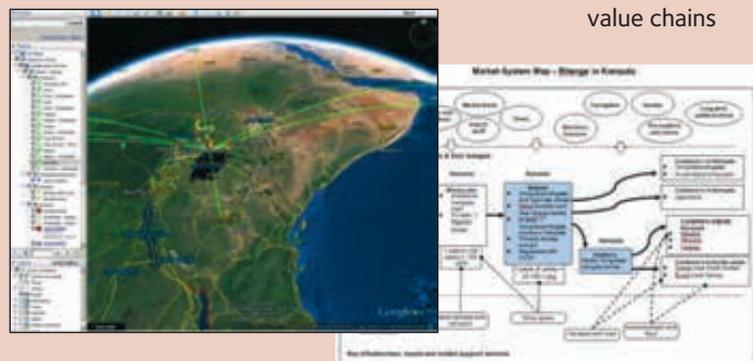
Sales from Congolese refugees represent a major portion of the Ugandan jewellery retailers' revenues. As one of the Ugandan jewellery shop owners in Gazaland explained, 'Congolese people are the most important customers for me. I receive about 100 retail buyers per day. 70 of them are Congolese refugees'. Another Ugandan merchant we spoke with was very passionate about the contributions of Congolese refugees to the jewellery sector in Kampala. As he explained, 'We rely on the Congolese'. Gesturing to the rest of the complex, he noted that 'these jewellery shops wouldn't exist without the Congolese [vendors] to sell to'. To facilitate business with Congolese refugee buyers who don't speak the local languages, many Ugandan-run jewellery shops in Gazaland even employ Congolese refugees as shop assistants.

Congolese refugees serve not only as customers, but also as distributors for Ugandan businesses. In both *bitenge* and jewellery businesses, they often sell in more distant Ugandan towns, such as Mbarara, Masaka, Kasese or Hoima. Others go to border trading towns, particularly Oraba on the Sudanese border, and Busia on the Kenyan border. Some Congolese merchants make daily trips over the border (i.e. to the Sudanese town of Kaya) and return at night. According to a Ugandan jewellery wholesaler in Kampala, 'Congolese refugees are important distributors for our accessories. They travel a lot and find new markets and customers!'

Throughout this project, I learned a lot more about my own community. Although I know many fellow Congolese refugees who have sold *bitenge* and jewellery, I realised just how widely hawkers travel around Kampala to sell their wares, and how the trade they do on the street is tied to global networks that range all the way to China, India and Dubai. I knew that many Congolese women are involved in selling *bitenge* and accessories but was amazed by the scale and size of the *bitenge* and jewellery markets during the research.



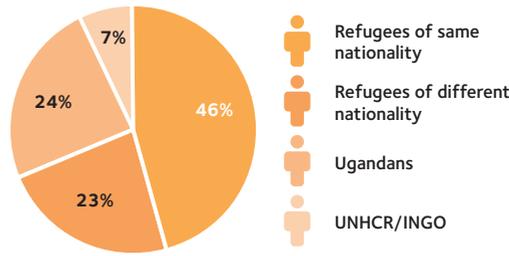
Robert Hakiza, HIP Researcher



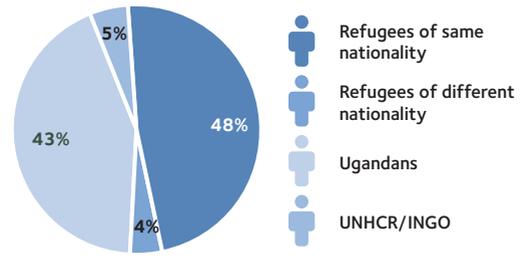
Research market mapping of the global and local *bitenge* and jewellery value chains

(Figure 13)

Rural refugees employed by...



Urban refugees employed by...



Besides purchasing daily household goods, refugees also purchase essential supplies from Ugandan businesses to support their own livelihood activities. As one proxy of this interaction, we asked refugee participants who the most important supplier is for their business. In Kampala, more than 80% of refugees identify Ugandan merchants as their most important supplier of goods and services necessary for their primary livelihoods. Even in the rural settlements, nearly a quarter of refugees regularly buy from Ugandans.

Refugees as employment-creators

Refugees contribute to the host economy of Uganda not only through buying and selling, but also by creating employment. In one of our survey questions, we asked all refugee business-owners whether they employ anyone outside their household members. In rural settlements, 15% of those surveyed replied that they hire non-family members. In Kampala, this rises to 21%. Refugee entrepreneurs employ 2.4 people on average in Kampala and 2 people on average in rural settlements. In our survey, we also asked participants the nationality of these employees. Interestingly, in

Kampala, 40% of those employed by refugees are Ugandans, which outnumber other nationalities by far. Even in the rural settlements, 14% of people employed by refugees are actually Ugandan nationals.

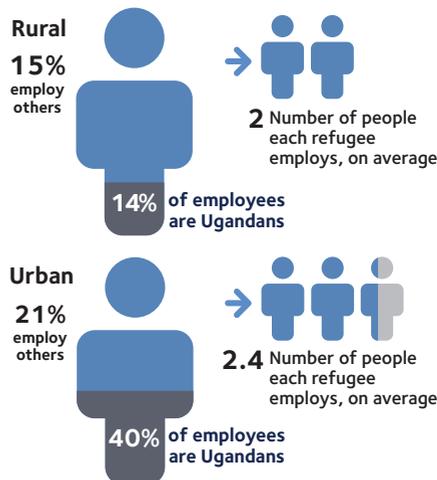
In Kampala, refugee business-owners are particularly active in employing Ugandans. A refugee lodge owner in Kampala highlights this point.

I have two lodges in Kampala. In total, there are more than 50 employees. I hire Congolese, Somali, Sudanese and Ethiopians. Many of them are refugees. But the majority of the employees are Ugandans... We are hosted by Uganda so I think we should give [employment] priority to members of our local host.

A significant number of Ugandan nationals are hired as casual labour to support the supply chain of agricultural crops connecting refugee settlements and the rest of the country. When we asked about contributions made by refugees to Uganda, Annet, a Ugandan crop merchant in Hoima, highlighted the significance of 'invisible' sub-economies generated by refugee farming production:

There are many nationals who are indirectly benefiting from refugees. For example, many Ugandan transportation companies are carrying maize and beans from Kyangwali to other places. So many locals are employed as drivers and porters by these companies. They consume significant amounts of fuel, which is another benefit for gas stations. Accommodation for drivers and porters, storage for keeping crops, money transfer services for payment – these are all benefits for local economies.

% of refugees employing other people outside their household (Figure 12)



Refugees as providers of human capital

Refugees provide a further benefit to the host economy, one often overlooked in the 'burden and benefit' debate, in the contribution they make through their own human capital as a source of labour. According to our survey, in rural settlements, 24% of refugees are employed by Ugandans, and in Kampala, 43% of refugees are given employment opportunities by Ugandans.

In the settlement areas, for instance, a considerable number of refugees work for Ugandan land owners who are looking for skilled farmers. In Nakivale, those who had arrived in Uganda relatively recently have been given very small plots of fertile farmland (or often no farmland at all) by the host government. While locals in neighbouring villages own large plots of farmland, they are often in short supply of skilled labour to cultivate it. In response to this demand, some refugees leave the settlement to work as day labourers for Ugandan farmers in the surrounding villages and towns.

Our research also uncovered many examples of Ugandan nationals who have learned beneficial vocational skills directly from refugees, or embarked on new income-generating activities through refugee guidance. As one typical example, a group of Congolese refugee tailors in Kampala provide training on tailoring skills and techniques to Ugandans. One of our Congolese refugee researchers conducted interviews with some Ugandan tailors who have been trained by Congolese experts. One of these Ugandan tailors explained:

I learned tailoring from Mr Sony. He is a Congolese refugee tailor who lives in my neighbourhood. Due to lack of tuitions, I had to stop schooling in P7 [seventh year of primary school]. Then I started searching for a job but could not find any. I asked him whether I can work at his workshop. He agreed. While working at his place, he taught me how to tailor clothing...I worked at his workshop for 7 years. I learned so many things from him and felt like I can start my own tailor... My business is going on very well because I have a lot of customers who like my services.

Ugandan traders bringing in bottled drinks to Kyangwali



Credit: N.Omata



Myth 3

Refugees as Economically Homogenous?

Refugee populations are often assumed to be homogenous groups, crudely distinguished only by their broadest national or regional characteristics.

Reducing the complexity of refugee identity in such a way can, in turn, invite gross generalisation and reductionist assumptions regarding their economic lives. Our research findings speak, instead, to the significant diversity in refugee's economic strategies between, and within, different groups of refugees living across Uganda.

Diversity in types of refugee livelihoods

Popular perceptions of the economic life of refugees tend to portray rural refugees as predominantly involved with agriculture, and urban refugees with small-scale 'petty trade'. These categories fail to accurately portray the diversity of refugees' income-generating activities. Reducing rural refugees to 'agriculturalists', for instance, fails to distinguish refugees who grow crops for their own consumption or for sale, those who are employed as farm workers, and those who buy produce from neighbours for sale as middlemen – all very different business models requiring a different range of assets and strategies.

In urban settings, the term 'petty trade' is likewise used to group an equally diverse set of livelihoods: according to the 2011 InterAid survey on refugee livelihoods in Kampala, the main income source for 24% of refugees in the capital was described simply as 'petty trade'.⁶ But what does a term like 'petty trader' really mean? What items are these refugees selling? To whom are they selling? Where are they selling? From whom are they purchasing their merchandise, and why? These questions suggest the need for detailed analysis in disaggregating diverse livelihood groups which are encompassed within the category of petty trading.

Contrary to popular perception, our research illustrates the range of different types of livelihood strategies that refugees pursue. With the assistance of our staff of refugee researchers, HIP identified some 70 different types of livelihood activities, ranging from farming and animal husbandry to specific types of

livelihood activities that fall under the categories of food-related businesses, beauty care, transportation, accommodation, entertainment, clothing, manual work and manual technical services, communications, finance, specialised services, professional services, and institutional employment.

Diversity within and between refugee households by livelihood and wealth

Diversity in the economic lives of refugees can be observed at multiple levels of analysis, beginning with the household itself. Refugee households tend to diversify their livelihood portfolio through multiple income-generating activities, spreading risk rather than relying on a single member's income. In a Congolese refugee family in Kampala, for instance, a husband may work as a tailor while his wife vends necklaces and accessories, and their children work for Ugandan construction companies. In rural settlements, where the majority of household members are farmers, crops are highly vulnerable to droughts, flood and disease. These external shocks can quickly reverse long investments of time and effort made by refugee farmers. As a result, many who identify farming as a key livelihood stress the importance of placing other household members into non-farming business activities as social insurance.

Further diversity exists between, as well as within, refugee households in terms of the specific livelihood strategies pursued at different levels of socio-economic status. In Kampala's Ethiopian refugee community, for instance, the households of vulnerable individuals, such as widows and people with physical and mental disabilities, tend to fall into lower wealth

⁶ InterAid (2011), 'Socio-Economic Baseline Survey for Urban Refugees in and Around Kampala', (Kampala: InterAid).



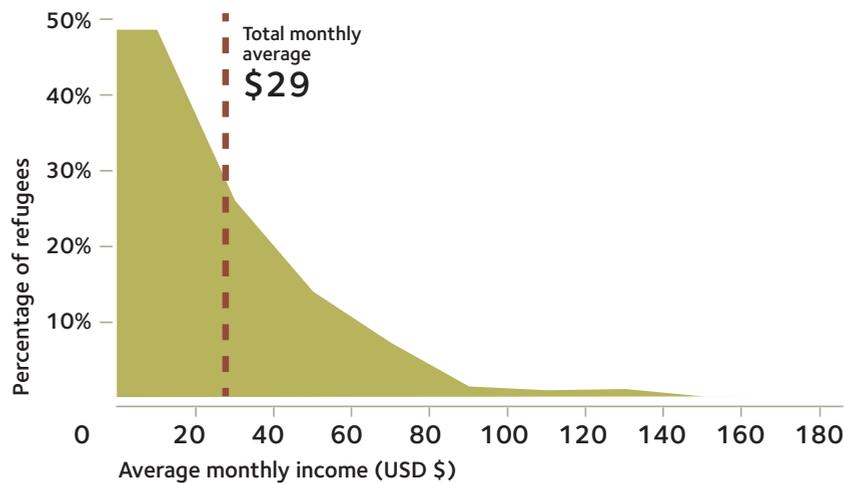
strata, and their members tend to pursue less-lucrative livelihood strategies such as domestic work within the homes of wealthier Ethiopians. Alternatively, better-off Ethiopian households are active in running lodges, Forex bureaus, restaurants, and salons – livelihoods which generate higher profits, but which also require a considerable initial capital investment.

Even inside the settlements, where refugees reside in relatively similar environments and often pursue the same types of livelihood activities, clear socio-economic differences are still apparent. For instance, farming is the most frequent livelihood activity in both Nakivale and Kyangwali. Among these refugee farmers however, there is still a significant variation in monthly income, which ranges from as low as several USD per month to earnings of more than 100 USD per month.

Diversity of refugee livelihoods by nationality and ethnicity

There is also apparent diversity in livelihood strategies across different refugee nationalities and across our research sites. Figure 15 shows the top five livelihoods pursued by each nationality in the settlements and Kampala. Given the rural environment in which both Nakivale and Kyangwali are located, unsurprisingly, farming is the most common subsistence activity for Congolese, Rwandans and South Sudanese refugees. But among South Sudanese refugees, brewery businesses are the second most common activity, followed by vending. Congolese and Rwandans both pursue farm work for others as a second choice of livelihood activity, but differ in their third choice – construction for the former, motorcycle taxi hire for the latter.

Average monthly income for farming a self-owned plot (Figure 14)



Top five livelihoods by refugee nationality (Figure 15)

	RURAL	URBAN
Congolese	 Farming own plot 46%	 Vendor (no shop) 19%
	 Farm worker for others 21%	 Seller: clothes, textiles and/or accessories 16%
	 Construction workers 5%	 Tailor 10%
	 Small shop 3%	 Brokerage 6%
	 Worker for INGO/UN 3%	 Hair/ beauty services 4%
Somali	 Seller: clothes, textiles and/or accessories 16%	 Restaurant 18%
	 Restaurant 11%	 Small shop 13%
	 Small shop 10%	 Fast-food stand 10%
	 Fast-food stand 10%	 Vendor (no shop) 6%
	 Med-large shop 5%	 Taxi/mini-bus 5%
	 Household chores for others 5%	 Teacher 5%
Rwandan	 Farming own plot 48%	 Vendor (no shop) 14%
	 Farm worker for others 18%	 Seller: clothes, textiles and/or accessories 12%
	 Motorcycle taxi 4%	 Fast-food stand 8%
	 Bar/café 4%	 Small shop 8%
	 Middleman for crop-trade 3%	 Craft-making 6%
S. Sudanese	 Farming own plot 54%	
	 Brewery 11%	
	 Vendor (no shop) 8%	
	 Worker for INGO/UN 4%	
	 Small shop 3%	
	 Teacher 3%	



Credit: N.Omata



Credit: N.Omata



Credit: N.Omata



Credit: N.Omata



Credit: N.Omata



Credit: J.Kaplan

Diversity of refugee livelihoods

Photos: 1: Refugee-run guesthouse in Nakivale 2: Animal husbandry in Kyangwali 3: Salon in Kyangwali 4: Market stall owner in Kyangwali, selling dried fish purchased from Ugandan fishermen 5: Brick making business in Nakivale 6: Repair-man and vendor of used phones in Nakivale

Traditional and Emerging Livelihoods

The popularity of certain livelihood strategies preferred by refugees of each nationality changes over time. Some livelihoods remain consistently popular with certain refugee groups for years, while in other cases, changing factors in the wider market environment encourage moves towards new income-generating opportunities. Within Kampala's Ethiopian refugee community, examples of three diverse livelihood strategies illustrate this point.

Restaurants

Ethiopian cuisine is very popular across Uganda. Capitalising on this reliable national appetite,

restaurants serving traditional Ethiopian fare have long served as one of the most popular business options for Ethiopian refugees in Kampala. Interestingly, the majority of the Ethiopian restaurant owners we spoke had no prior experience with the food service industry before arriving in Uganda. The dependable marketability of Ethiopian dishes in Kampala, however, provided them with a strong incentive to embark on this

new type of business. Often, Ethiopian restaurant owners began by working as wait-staff for other Ethiopian restaurateurs, where they developed insider knowledge of the profession.

Oromo Ethiopian Forex bureaus

A popular livelihood activity in the Ethiopian community is the provision of foreign exchange, or 'Forex', services. As an example of further heterogeneity within the same national refugee population, Forex bureaus are exclusively run by the Oromo, a specific ethnic sub-group of Ethiopian refugees. One leading Ethiopian refugee businessman, an owner of three separate Forex bureaus and an Oromo himself, traced the origins of this niche industry back to his own arrival in Uganda:

I came to Uganda in the 1980s. I am one of the very first people who started Forex bureaus among Oromo people in Uganda. I first hired some Oromo refugees in my Forex. Later they started their own Forex. There are at least 8 owners of Forex bureau who used to work at my place. Some of them now have even bigger ones than mine!

Private-hire taxi business

Whereas restaurants and Forex bureaus are businesses which are traditionally popular in Ethiopian population, during our time in Ugandan, a growing number of young Ethiopian and Eritrean refugees in Kampala appeared to be increasingly active in taxi businesses. This emerging business model is linked to sub-regional developments in South Sudan, which borders Uganda. South Sudan's post-conflict reconstruction has spurred the growth of construction work in Juba, which is generating demand for not only manual labour but also other types of service employment at lodges and restaurants. Whilst there are a large number of taxi companies owned by Ugandans already in the capital, these Ethiopian and Eritrean refugees have developed closed client bases among their own communities. Mustafa, one of the owners of Ethiopian private hire taxi business, began his taxi business in 2013. Here, he explains the pull factors from South Sudan's development needs spurring the growth of this livelihood strategy.

HIP: Why did you choose the taxi business?

Mustafa: My Ethiopian church-mate told me that taxi is a lucrative business. I myself also researched the potential of this business and found good demand.

HIP: Who are your customers?

Mustafa: Ethiopians and Eritreans are my main customers. They are both refugees and non-refugees. I sometimes receive South Sudanese and Somali customers.

HIP: What are your customers doing?

Mustafa: They are either business people or investors. All of them are involved in running businesses like hotel and construction companies in Juba, South Sudan. They buy stuff such as construction materials and food items in Kampala and carry them to Juba.

HIP: Is it true that many young Eritrean and Ethiopian refugees are moving to this taxi business?

Mustafa: Yes, I think so. Now probably there are 20-25 Ethiopian and Eritrean taxi businesses in Kampala but the number is growing.

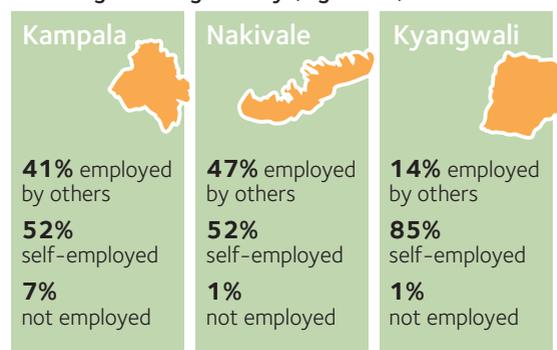


Credit: L.Bloom

In rural settlements, perhaps the most striking differences in livelihood preferences can be seen amongst Somali refugees, who, unlike other nationalities, pursue non-agricultural subsistence such as trading, food-related businesses and small shops over farming.

In Kampala, the degree of diversity is further increased. For instance, as described earlier, many Congolese refugees are involved in trading of *bitenge* and jewellery, the top two livelihoods activities among them reflect this general trend. The third popular business for Congolese is tailoring, which is another Congolese specialty. By comparison, restaurant work is ranked as the most frequent livelihood for Somali refugees, reflecting a number of Somali restaurants in Kisenyi, Somali-concentrated area, where they are involved not only as their owners but as employees. As many Rwandan refugees are part of the global business networks of second-hand clothing and shoes, their most popular livelihoods include vendor and seller of clothes. Also, compared to rural refugees of which the significant portion are farmers, generally in Kampala, the level of concentration in one economic activity is much more diluted, meaning that there is more diversity in refugees' businesses in the urban capital.

Employment type for main income-generating activity (Figure 16)

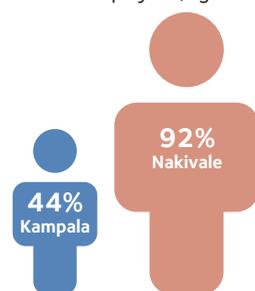


Diversity of refugee livelihoods by type of employment arrangement

Policy discussions often presume that refugees operate primarily as self-employed entrepreneurs in their economic lives. According to our survey data, however, a considerable number of refugees in Nakivale, Kyangwali, and Kampala are employed by others, relying on a different set of assets and strategies than might be required in self-employed ventures.

In the case of Somali refugees, for instance, ethnic and religious networks have often provided secure strategies for securing employment. For example, in Kisenyi, a Somali-concentrated neighbourhood in Kampala, significant numbers of Somali refugees

Somali refugees employed by other Somalis as a % of those who are employed (Figure 17)



find regular work as restaurant staff, shopkeepers, and clerks in businesses owned by other Somali refugees or Ugandan-born Somalis. In Kampala, several large-scale Somali-Ugandan companies operate in the oil, petrol, and retail industries, and these enterprises also offer employment for a large number of Somali refugees. A senior Somali manager of one of these companies explained to us that while his company has not set any formal policy for helping refugees, hiring Somali employees is nonetheless an uncomplicated decision:

Somalis have very strong unity. We feel more comfortable working with Somali people because we have a lot in common such as language and cultural habits. Also, there are some levels of mutual trust, so we are comfortable to give more responsibilities to Somalis in the company.

In this pattern of engagement, refugees again are seen to participate in and contribute to the host private sector as employees. One Somali Ugandan-owned oil company alone employs nearly 60 Somali refugees as shop keepers, cashiers, security guards, and clerks at just one of its more than 20 franchises across the greater Kampala area. Ali, a sales manager at this company, arrived in Uganda in 2005. He explains how Somalis leverage their networks to find jobs in the oil sector:

In many cases, Somalis get recruited through their personal contacts. Somalis help each other so it is not difficult for us to get employed. My uncle was already working [here] as a chief cashier and he asked me to come to Uganda and join him. He facilitated my job search.

Still other Somali refugees find employment opportunities in cultural or religious institutions distinct to their community. A good number of Somali refugees, for instance, are employed at Koranic religious schools, where they teach Arabic and lessons on Islamic culture to Somali youth in Uganda. Although these Somali children also attend Ugandan schools, there is a constant demand for supplemental religious education within Somali communities. According to one of these Koran teachers, there are more than 30 such religious schools in Kampala alone.

'Somalis have very strong unity. We feel more comfortable working with Somali people because we have a lot in common such as language and cultural habits.'

Exceptional Livelihoods: Three Case Studies

In addition to the large number of common primary livelihood activities we identified in the survey, refugees have also created numerous unique businesses which defy easy categorisation. These three examples from Nakivale show a rich creative capacity amongst refugees to be innovative in their approaches to their businesses, seeking out niche opportunities in broad markets.

Rwandan milling business



Credit: A.Betts

In the heart of Nakivale, Claude runs a thriving set of business ventures from a complex joined to his home. He owns a milling machine, which he uses to grind maize flour for customers ranging from refugees to local Ugandans and even the World Food Programme, which used his services to help feed a recent influx of Eastern Congolese arrivals. Employing five other refugees to help with maize milling, he also diversifies his income by selling leftover maize husks to livestock owners for use as chicken feed. The success of his maize milling enterprise has allowed Claude to save up enough to build a rain-water storage tank behind his milling shop. Water from this tank helps cool the hot-running diesel milling machine. During the

dry season the water tank is used as an additional income-generating activity, selling water for household consumption to neighbours.

Somali computer-game parlour



Credit: J.Kaplan

After discussing with friends who ran a similar business in Kampala, Abdi, a Nakivale-based Somali refugee, initiated his own computer game business where children

and adults come from across the settlement to play games for a small fee. He purchases the televisions second hand in the settlement, and purchases computer games when making trips outside the settlement to nearby towns.

As Abdi explains, 'you must grab skills from wherever you can'. After working as a mechanic back in Somalia, Abdi learnt new skills in electronics from others living in the settlement. This knowledge enables him to repair his own televisions, his generator (for powering the televisions), and also his collection of games controllers. He proudly displayed for us his vast collection of spare parts and metal devices, essential for repairing his generators, game consoles, and controllers, which he has diligently collected over time. His skills are not only essential for repairing equipment (such as water damaged televisions from the leaky tarpaulin roof, and games controllers due to vigorous use by the children who come to play), but also to prolong the life of some of his equipment.

Congolese cinema



Credit: A.Betts

A popular pastime for Nakivale residents in Base Camp 2 is the New Congo market cinema. Here, at the back of a large mud-daub hall large enough to seat dozens, a large-screen television

and speaker system play movies and television programmes. For a small fee, customers can choose from a range of daily entertainment, from recent football matches to Hollywood and Chinese movies dubbed into French, Swahili, and English. The theatre manager we spoke to explained his strategy for attracting new customers: a loudspeaker over the cinema's entrance plays audio tracks from these movies and TV shows while they play in order to grab the attention of passers-by.



7

Credit: J.Kaplan



8

Credit: N.Omata



9

Credit: L.Bloom



10

Credit: J.Kaplan



11

Credit: L.Bloom



12

Credit: N.Omata

Diversity of refugee livelihoods

Photos: **7:** Congolese refugee repair-man in Kyangwali **8:** A well stocked pharmacy in Kyangwali **9:** Rwandan craft designer and teacher, at her workshop in Kampala **10:** Refugee businessman with a tractor he leases from a Ugandan, used to plough refugee farm plots in Kyangwali **11:** Brewer selling traditional drink in Nakivale **12:** Chef serving Rwandan barbeque in Kampala

Myth 4

Refugees as Technologically Illiterate?

Refugees in the global south are often assumed to be largely technologically illiterate, or at least unsophisticated users of electronic equipment.

A quick internet search on the topic of ‘refugee camps’ will return images and descriptions intuitively familiar to popular Western imagination – rows of makeshift tents or huts spread out over what is often dry and dusty terrain, crowded with people who have access to basic humanitarian necessities but little access to modern technology.

Alexander Aleinikoff, the Deputy High Commissioner of UNHCR, has said of such popular perceptions that, ‘[s]uperficially at least, today’s refugee camps do not appear significantly different from those that existed 30 or 40 years ago. Modernisation seems to have passed them by.’⁷ Yet, as Aleinikoff goes on to argue, a ‘closer look’ at the ground reality of day-to-day life among refugees reveals ‘that things are changing’:

Today, refugees and IDPs in the poorest of countries often have access to a mobile phone and are able to watch satellite TV. Internet cafés have sprung up in some settlements.

Our research corroborates this point. It suggests that while refugees in Uganda continue to face major barriers in accessing information and communication technologies, many have nonetheless successfully overcome these hurdles to become effective technology users. Others go further, creating or adapting technological innovations for their business activities using locally-available resources. These examples of ‘appropriate technology’ force us to consider a wider range of ways in which refugees interact with technology beyond just mobile phones and computers.

Refugees as users of communication technologies

Information communication technologies (ICT) such as mobile phones and the internet are a common presence in the day-to-day life of refugees in Uganda. Despite (or perhaps, because of) the remote

locations of Nakivale and Kyangwali in Uganda’s rural countryside, refugee residents there rely heavily on mobile phones for their daily communication needs. According to our survey, roughly 70% of rural refugees regularly use mobile phones to communicate, even though, due to limited access, internet use is only available to around 10%.

In Kampala, almost every survey respondent self-identified as a mobile phone user and 51% use the internet, mainly through mobile phones or in internet café. These statistics compare favourably to the general population; recent national statistics for Ugandan nationals show that 45% of the population uses mobile phones and 15% use the internet, lower levels than for the surveyed refugees.⁸

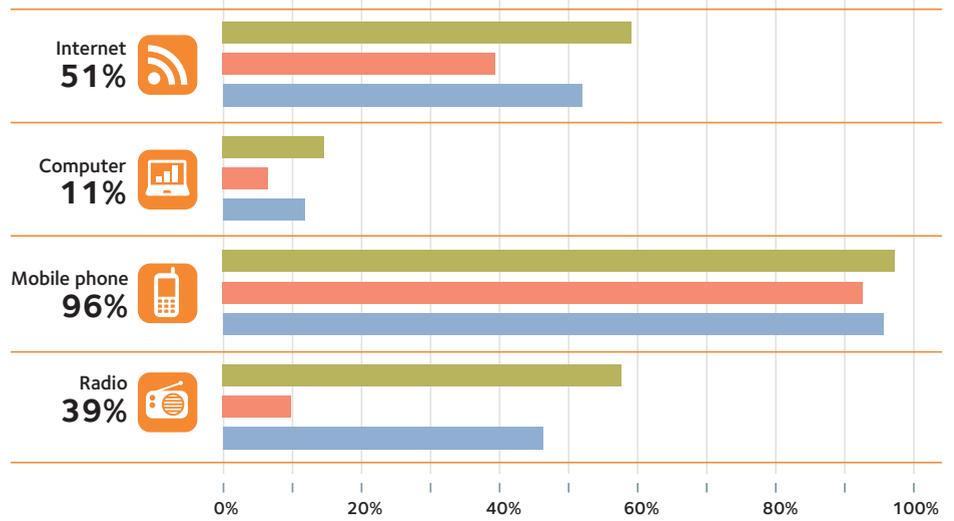
Interestingly, some differences exist in the diversity of ICT usage between different nationalities interviewed for our survey. As demonstrated in Figure 20, in Kyangwali, for instance, South Sudanese refugees expressed higher internet usage than Congolese residents, while in Nakivale (Figure 19), internet users are more frequently found in Somali refugee populations. In terms of internet access, one advantage that Nakivale-based refugees enjoy is their access to the Community Technology Access (CTA), an ICT hub supported by UNHCR Uganda. The CTA’s internet facilities allow refugees to access the internet, attracting a large daily crowd who spend hours avidly using Facebook, Twitter, and Skype to communicate with family members and friends abroad, read news about their host countries and the wider world, and learn new skills online.

7. Aleinikoff, A (2011), ‘Foreword’, Forced Migration Review 38, 4. 8. The International Telecommunication Union (2012), The Key 2006–2013 ICT Data, Available at <http://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx>

Household use of communication technology

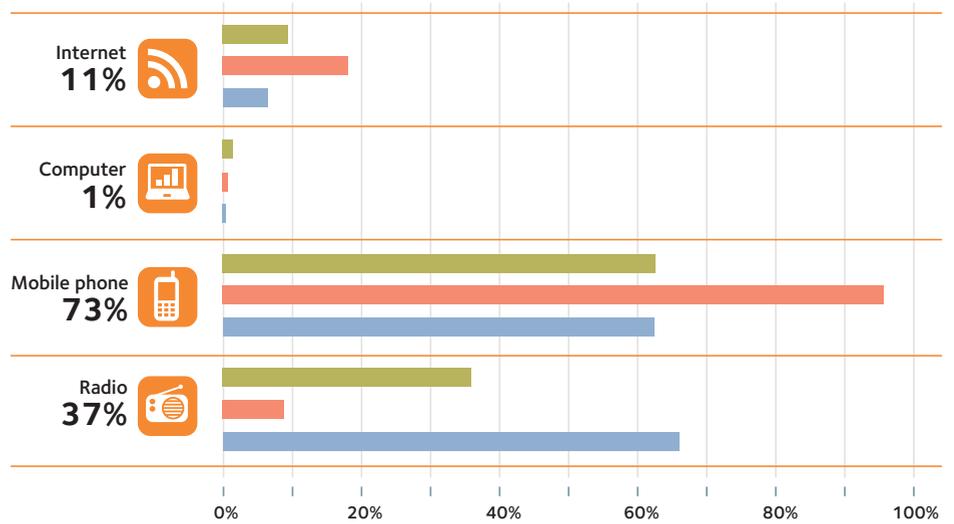
Kampala (Figure 18)

Rwandan Somali Congolese



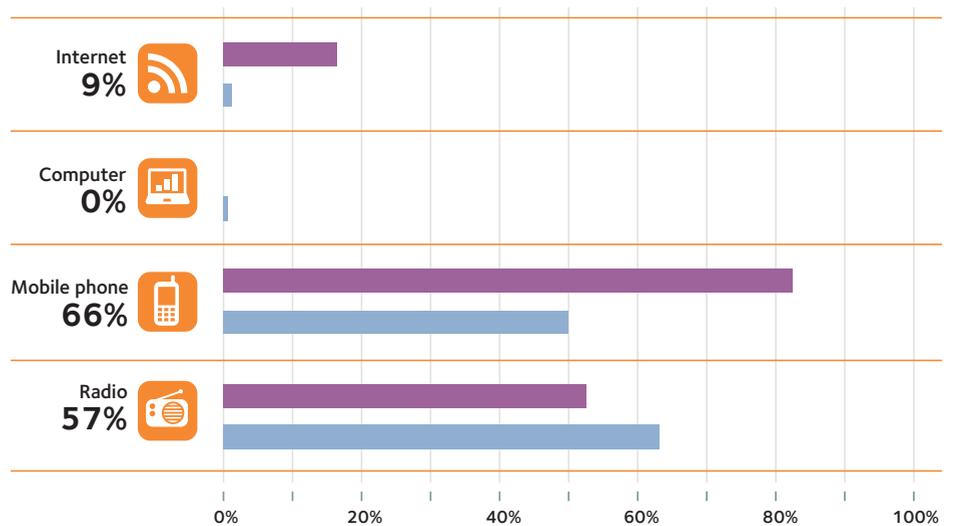
Nakivale (Figure 19)

Rwandan Somali Congolese



Kyangwali (Figure 20)

S Sudanese Congolese



Tech entrepreneurship in Nakivale's Community Technology Access (CTA) centre

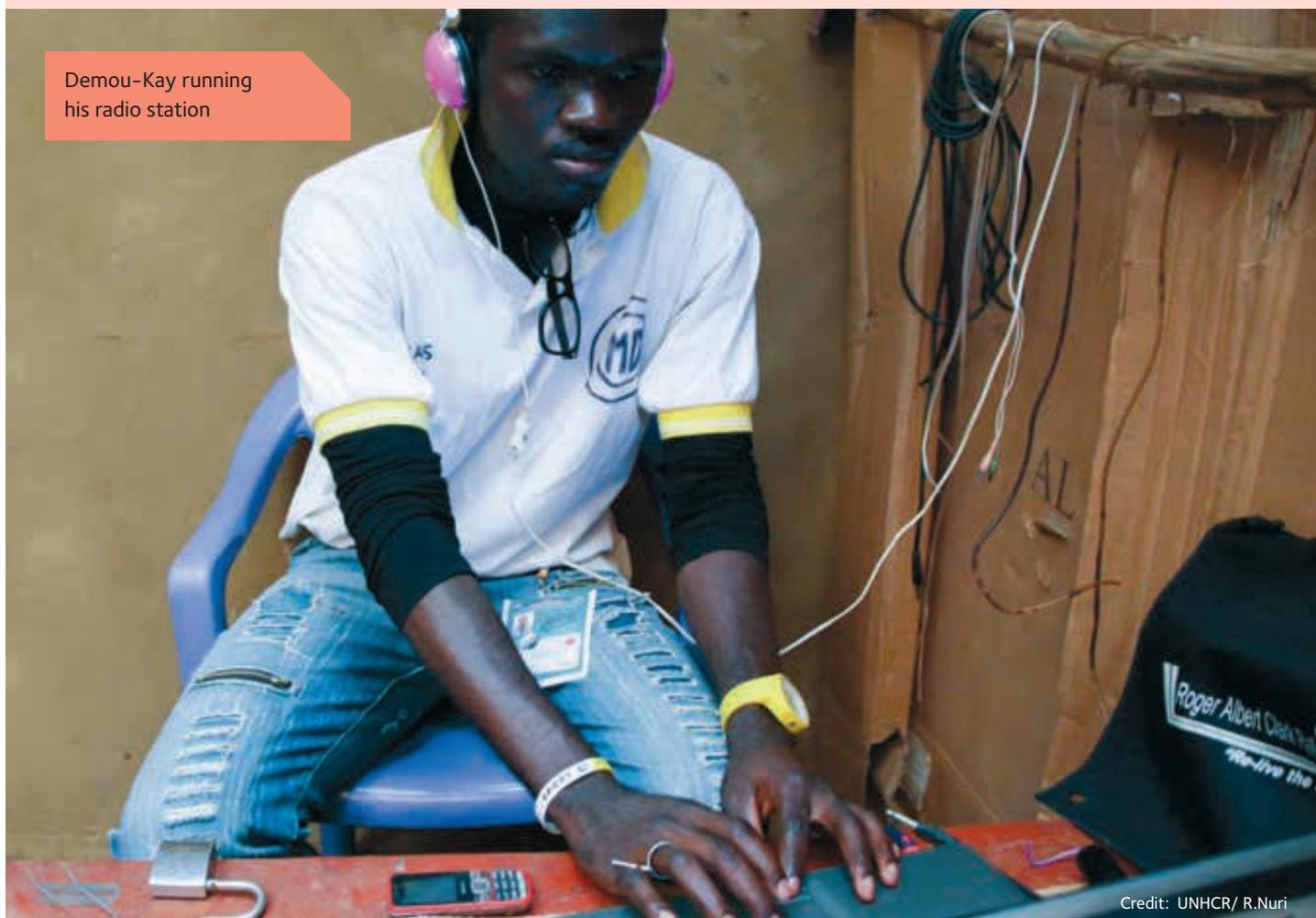
Fifty percent of those using the internet in Nakivale get online via the Community Technology Access Centre (CTA) – one of the few internet cafés in the settlement. The CTA consists not only of an internet café, but also a computer literacy training centre which runs regular courses on computer basics. The CTA set-up was supported by UNHCR and donations, but is now run by a board of refugees and generates income from classes and internet use to pay for the teachers, director, and maintenance, only leaving UNHCR to support the internet connection. Many of the CTA's internet café customers enjoy using Facebook to connect with friends, family, and new people globally. A few use the internet to buy and sell items they may need for their business, and to support multiple ventures.

Demou-Kay, a young Congolese refugee, embodies this entrepreneurial creativity in his love of technology. Each day, he arrives at the CTA in Nakivale with his laptop, which he rents from another refugee, and uses the café's internet

connection and electricity supply to enable his video editing work. He has a keen eye for photography and cinematography, and uses rented camera equipment to film community weddings, concerts, and other events for clients, then editing the footage into montages and souvenir videos.

Alongside this livelihood activity, Demou-Kay has also used his self-taught technical skills to make a radio transmitter to create a radio station – the only one in the settlement. The radio transmitter was constructed out of second-hand electrical parts and a mobile phone found in the settlement. His radio station transmits over a 5-10 km radius, providing songs, news updates and health messages to listeners in and nearby Nakivale. Only one month after the station was established, Demou-Kay said that the radio had already helped one family to be reunited from its communication about new arrivals to the settlement. By charging a small fee for song requests, he has begun to generate income from the station, helping to maintain the project.

Demou-Kay running his radio station



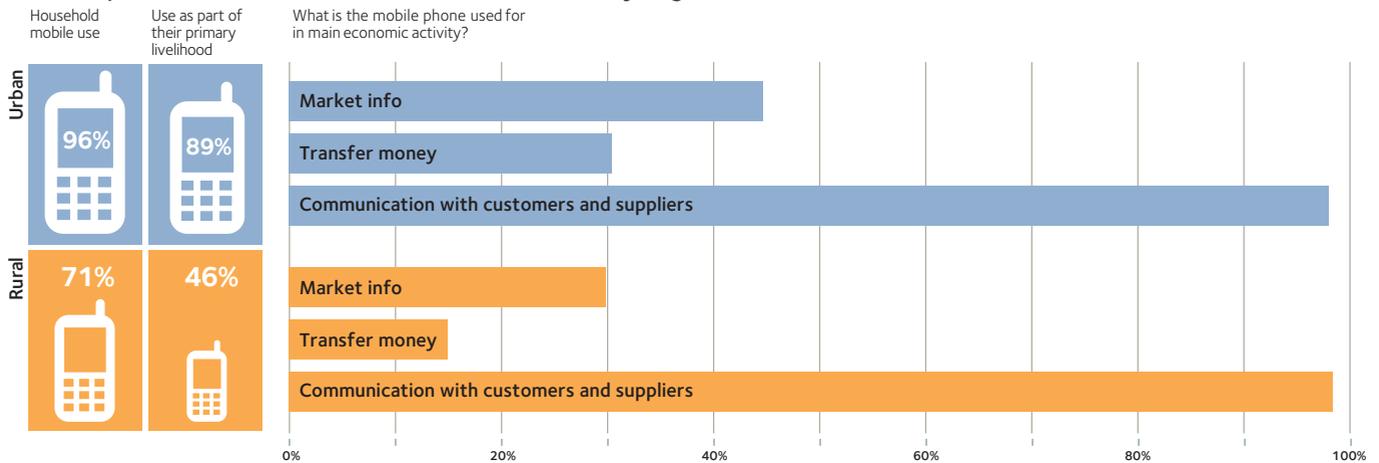
'Nakivale is a busy market. There's always communication going on there, and we thought it was a good space for a match [with Orange Mobile Money].'

Communication technologies for enabling livelihoods

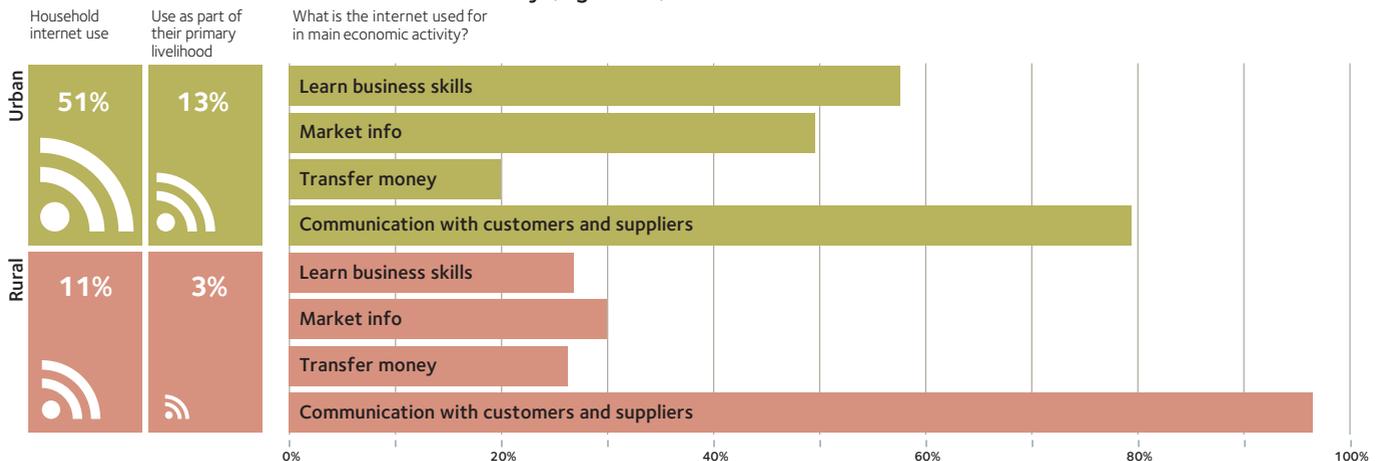
Out of the subset of refugees who use communication technologies in their daily life, a considerable number further identify the important role mobile phones and the internet play in their income-generating strategies. Our survey data do not necessarily suggest a particularly high use of internet across all refugee business activities. Mobile phone usage is, however, far more widespread. In the rural settlements, while only 3% of respondents use the internet within income-generating activities nearly half acknowledged that they regularly use mobile phones for this purpose. In Kampala, the proportion of refugees using mobile phones and the internet within income-generating activities is higher, 89% and 13% respectively. According to the survey data, almost all settlement-based refugees, regardless of nationality, indicated that they use mobile phones to communicate with suppliers and customers, with nearly one-third of them relying on their phone to find out market information, and a further 10% employing the devices to transfer money.

In certain key livelihood contexts, mobile phones are essential for business. Refugee farmers in both Nakivale and Kyangwali settlements, for instance, increasingly link their daily economic life to the use of mobile communication technologies. In section 1, we highlighted the degree to which refugees' farming activities are nested in a national and sub-regional network of crop trading. Here, mobile phones play a critical role in helping to facilitate and sustain trade networks between the host economies and rural settlement-based refugees. The majority of Ugandan traders and middlemen live in district capitals such as Hoima and Mbarara or in Kampala. When they want to purchase crops from refugees, they first call refugee middlemen by phone and specify the amount crops they want to collect. These intermediaries then call their network of farmers to check on each partner's current level of their crop stocks, before negotiating prices further with their prospective Ugandan buyers. In the meantime, the refugee farmers themselves also call around to other local crop traders, checking the market price and attempting to negotiate their own prices. Once the price is fixed between all parties, Ugandan middlemen secure the amount of crops they want to buy by transferring a portion of the

Mobile phone use in households and for economic activity (Figure 21)



Internet use in households and economic activity (Figure 22)



payment over the phone their refugee counterparts via mobile money transfer services. As soon as refugee intermediaries finish collecting the requested amount of crops, local crop traders again send their fees through these same mobile phone services.

This active use of mobile phones for communication and mobile money transfers in the settlements to facilitate business has grown large enough to attract the attention of several of Uganda's largest telecommunications corporations. One such example is the recent arrival in Nakivale of Orange Uganda, a national franchise of the global telecommunications giant France Telecom. Orange has erected a large radio tower in Base Camp Zone to support the launch of its Orange Mobile Money service in the settlement, a move largely driven in response to bottom-up demand from refugee customers. While the corporation's motives for investing in Nakivale's communications infrastructure in part derive from a self-described commitment to corporate

social responsibility, it is also motivated by core business aims. As one Orange representative put it:

Nakivale is a busy market. There's always communication going on there, and we thought it was a good space for a match [with Orange Mobile Money]. Refugees are always moving between camps and the cities, so if they buy our services in Nakivale they'll also buy in Mbarara and in Kampala.

The fact that one of Uganda's largest telecom providers has been drawn to Nakivale illustrates several intriguing points. First, ICT usage in the settlement is significant enough that Orange sees an opportunity for business there – an opinion obviously shared by its rival, MTN, which competes for refugees' business in markets throughout Nakivale and recently expanded its own coverage in the settlement. Second, in a point that also speaks to the interlinked theme of refugees' benefit to the host state economy, Orange is apparently engaging with Nakivale's population as customers and clients first, refugees second, with the settlement simply seen as another 'busy market' segment of the broader Ugandan economy worth investing in.

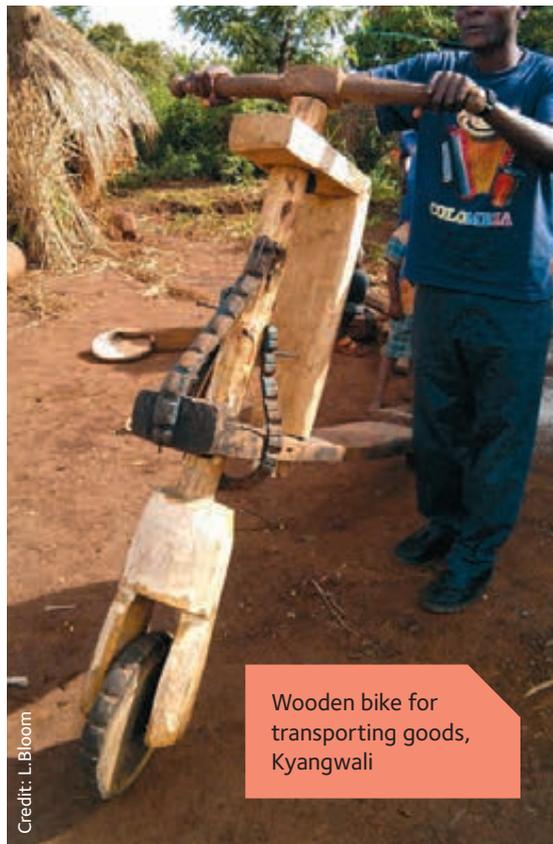
Music shops in Nakivale and Kyangwali

Music shops are common in both Nakivale and Kyangwali, and rely directly on computers and phones for their services. Henry, a young Congolese man who owns one such shop in Juru Zone, Nakivale, leaves the settlement every month for the neighbouring Ugandan city of Mbarara. There, he loads up a USB stick with hundreds of MP3 files covering popular Congolese and Western musicians, which he purchases from a Ugandan merchant. On returning to Nakivale, he transfers the files from his USB onto a laptop. From his computer, he then loads the files directly onto his customer's mobile phones, charges a fee per individual song.

In the small Kyangwali village of Kisonga, James, a South Sudanese shopkeeper, runs a small shop offering a range services, from home goods to phone charging and metal welding. An avid amateur gospel singer, James saved up several years ago to purchase a laptop in order to record his own music for local distribution. After taking a computer skills course formerly offered by the Finnish Refugee Council, he successfully produced and burned several CDs. With this newfound knowledge, James set aside the back of his shop as a small studio, offering music and video production services to other local musicians. He periodically travels to the neighbouring Ugandan town of Hoima to update his laptop's software and antivirus programmes from an internet café.

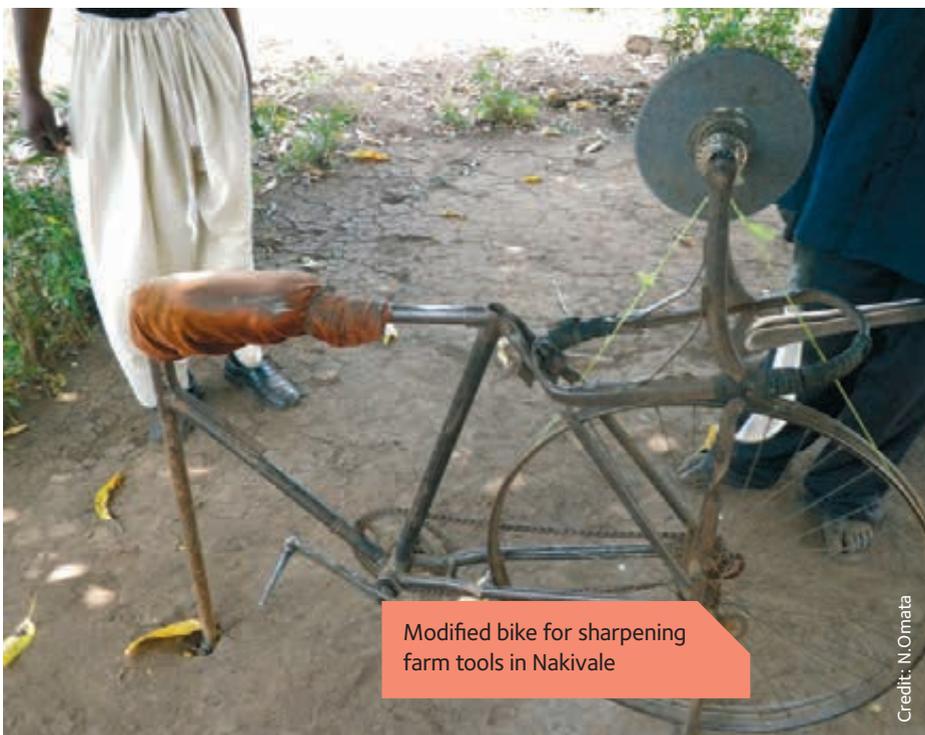
Use of 'appropriate technologies'

Beyond mobile phones and the internet, many refugees create and use 'appropriate technologies' – technologies built on locally available resources and economically and socially appropriate to the context in which it is used – as integral parts of their livelihoods. By exploiting pre-existing



Wooden bike for transporting goods, Kyangwali

Credit: L. Bloom



Modified bike for sharpening farm tools in Nakivale

Credit: N Omata

skills from former jobs in their country of origin, and by learning new skills in Uganda via formal vocational training or directly from other refugees, many refugee mechanics, electricians, wood craftsman, repair-men, and other ‘makers’ adapt the tools at hand to create often-ingenious new technologies to support their businesses.

William, a Congolese refugee living in Kyangwali, represents one appropriate technology maker and user. Prior to arriving in Kyangwali thirteen years ago, William used to make wooden bikes in the DRC, which he and others would use for transporting water or heavy crops to the markets. As soon as he arrived in Kyangwali settlement, he used his existing skills to make and purchase new tools for making the wooden bikes for sale to other Congolese refugees in his village. The bikes are made completely from locally-available resources, including wood (from the local trees), spare parts of old vehicle tyres (purchased from cobblers who obtain old tyres for their shoe repairs), some nails, and one basic metal component for the front wheel to pivot. In addition to bicycle-making, William also uses his wood crafting skills and tools to make and sell large grinding pots, called *isekuro* in his local Congolese language, for grinding cassava.

Jonathan is a 34-year old Congolese refugee living also in Kyangwali. As the eldest son of the household, Jonathan led his family’s agricultural activities back in the DRC, which was their main source of income. While fleeing from the rebel groups during his forced migration to Uganda, Jonathan was unfortunately arrested and was stabbed in his back by one of the rebel soldiers. Although he managed to escape, he is now unable to bend his body due to the severity of this injury. As Jonathan can no

longer engage in laborious agricultural work, he was forced to adapt a different survival strategy to earn a living in Kyangwali. His solution came through another form of appropriate technology: Jonathan recycled an old bicycle, affixing a whetstone to one wheel and converting it into a machine capable of sharpening machetes and hatchets ubiquitous to farming life in the settlement. Given the constant demand for sharpening of these farming tools, Jonathan receives 10-15 customers per week. Currently, this innovative livelihood is one of the key income-generating means of his household.

Energy-saving mud stove cookers have been a popular appropriate technology in Nakivale, ever since they were introduced to the settlement by a UNHCR implementing partner several years ago. The stoves burn fuel more efficiently than traditionally used open fires, and are constructed of mud, dung and straw – locally-available components which make the stoves easier to build, maintain, and replicate. As a result, energy-saving stoves are now ubiquitous in refugee homes and businesses throughout the settlement. One refugee, Emmanuel, has even made stove-building a new income-generating activity. As a community outreach worker, Emmanuel received training in how to construct energy-saving stoves for his village. He now earns additional income by making short trips to neighbouring Uganda villages, where he installs the energy-saving stoves for local Ugandan families who have heard of the technology and now want their own built.



Mud stove in a South Sudanese home in Kyangwali

Credit: L. Bloom

Myth 5

Refugees as Dependent?

Refugees are often perceived to be entirely dependent on assistance from the international donor community.

However, our research findings show strong evidence of the many creative and enterprising ways in which refugees develop sustainable livelihood strategies. While many refugees do incorporate aid into their survival strategies, they routinely strike a complex balance in their livelihood strategies, managing diversified portfolios of income and food sources. These households and individuals rely on aid to supplement certain key shifting gaps in their income, while at the same time pursuing strategies of economic self-reliance through other means. This nuanced reality highlights the limitations of binary simplifications such as ‘dependent’ or ‘self-reliant’.

Refugees’ relationship with aid

Do you receive assistance from international organisations? (Figure 23)

Urban



Rural



The notion that all refugees receive humanitarian aid is far from reality in Uganda. This is particularly true in Kampala, where survey data shows that 78% of urban refugee households manage to survive despite receiving no support of any form from UNHCR or other refugee-supporting agencies. Our interview with Abdullahi, a 24-year old Somali refugee in Kampala, offers a typical example of this mentality of refugee self-initiative commonly encountered during our research in the capital:

HIP: How are you making a living in Kampala?

Abdullahi: I am working for a restaurant as a manager.

HIP: Do you have any problems with your job?

Abdullahi: No. Our business is going well.

HIP: If you could get any support from UNHCR, what would you request?

Abdullahi: Nothing. I don't need any support.

HIP: Haven't you ever asked for any support from UNHCR or other agencies?

Abdullahi: No, I have never asked anything. I don't like to beg for help. I think those who ask UNHCR for help are poor ones who cannot survive on their own.

'I have never asked anything. I don't like to beg for help.'

In both settlements, a larger proportion of refugees receive assistance from UNHCR and other aid agencies. Nevertheless, ‘receiving aid’ is not the same as ‘fully dependent’ on aid. In Uganda, refugees can typically count on access to food rations only in their first five years after arrival. Even during this period, the amount of food they can get is gradually reduced year by year. After this ‘adjustment’ period is over, refugees will not be able to receive further food support from the UN refugee agency unless they are recognised as ‘vulnerable’.

This policy is consistent with broader global trends in refugee aid. As many researchers have already pointed out, humanitarian aid for refugees is never permanently given. As refugee situations become protracted, donor communities often lose their interest in assisting prolonged refugee caseloads and levels of international relief for them are significantly reduced or entirely cut off. With the declining financial commitment of the international donor society, it has become evident that UNHCR is unable to ensure essential needs for all prolonged refugee populations.

Refugees in Uganda's settlements are themselves

aware of the unreliable nature of humanitarian assistance, and endeavor to establish their own survival strategies and utilise their own avenues of external economic support accordingly. As a result, almost all rural refugee households who receive international aid also have their own income-generating means. According to our survey, only 1% of refugee participants in the settlements lack any form of independent livelihood strategy beyond humanitarian assistance. Refugee aid recipients are also candid about the ways in which they incorporate some forms of humanitarian assistance as part of broader resource maximisation strategies, even when these strategies are against formal rules. For instance, while the majority of Somali refugees in Nakivale settlement regularly obtain UNHCR/WFP food rations, a significant number of them chose to break the formal prohibition against selling food rations as a way to increase available cash, which they then use for investment in their business or family welfare.

Further evidence that refugees do not simply wait passively for assistance can be observed in how few refugees request financial support from aid organisations. In our survey, we asked respondents to name the one type of support they would like to receive from aid agencies. Whereas provision of resettlement opportunities and support for

education and medical assistance occupies popular requests, only 6% of respondents in rural settlements indicated financial aid as a priority.⁹

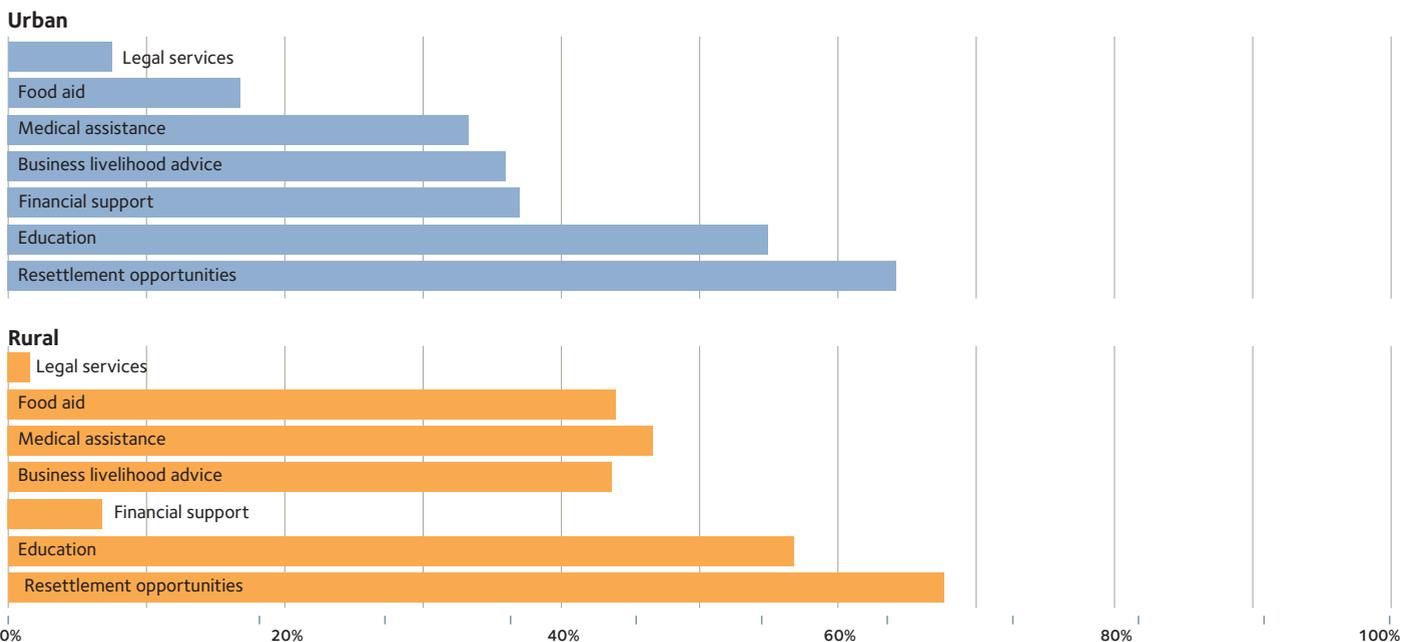
Community-based financial mechanisms for refugee self-protection

As numerous examples from our research illustrate, simply categorising refugees as ‘dependent’ ignores the many mechanisms of economic risk management adopted by refugee households and communities. Indeed, we came across many examples of informal financial and social protection mechanisms which refugees develop within their own communities.

Few refugees interviewed in the settlements, for instance, have ready access to capital via formal financial channels, whether Ugandan banks or micro-credit loans. As one Rwandan refugee in Nakivale explained, refugees often have to generate their own solutions in order to access capital:

We don't have micro-finance services here that could give us loans. Each of us creatively mobilises our own start-up capital. I got my capital to start-up this beer and soda depot from farming. I sold the agriculture produce especially maize and sorghum that helped me to raise my start-up capital for this depot.

If you could get support, what would you want? (Figure 24)



Respondents were able to select multiple answers, therefore aggregation goes beyond 100%

9. It is not surprising to see that a significant percentage of refugees have requested third country resettlement. In the global south, many refugees perceive resettlement as a means of accessing a range of socio-economic opportunities. In some refugee populations, the pursuit of resettlement has turned into a ‘resettlement obsession’. For more details on refugees’ desire for third country resettlement, see Horst, C (2006), *Transnational Nomads* (Oxford: Berghahn Books).

In the absence of such formal structures, community-led lending options fill in some social protection gaps. One such example is rotating credit and savings associations (ROSCAs), where groups of refugees come together for a period of time to collectively save, borrow, and lend money to each other. In Isangano, Nakivale's largest market, a group of 20 Rwandan refugee businessmen decided to form a ROSCA, called *DuteraInkunga* ('Lets Support Each Other'), in 2009. Initially, each member was asked to make a contribution of 100,000 Ugandan shillings (about 40 USD) every month to the group's shared pot, from which any member could then borrow funds at an interest rate of 5% per month to expand their businesses. *DuteraInkunga* has proven successful: today, it is run by an organised central committee, and member contributions have risen to 260,000 Ugandan shillings (about 100 USD) per month, generating roughly 5,200,000 Ugandan shillings (about 2,000 USD) monthly. An increased reserve has allowed the scheme to open borrowing privileges to non-members, albeit under more restrictive repayment schemes.

Within the Somali community in Kampala, informal insurance mechanisms known as *ayuto* ('merry-go-rounds') are also common practice, particularly among women. Here, small groups of Somali women may come together to contribute a sum of money every week or month depending on the level of their income. These contributions continue for some months until a sufficient pot is collected, at which point the full amount is given to the *ayuto* member deemed most vulnerable in order to help them start a new business. Somali refugees also rely on clan-based and faith-based social protection mechanisms, such as *zakat*, or Islamic alms-giving. As one Somali refugee explained:

As Muslims, every Friday we get an announcement in the Mosque that so and so has a problem. So contributions in form of money and in kind are made by the members to help their colleague to get out of problems.

Informal social protection mechanisms are also routinely negotiated in one-to-one arrangements as well. George, for instance, is an elderly Congolese refugee living in Kagoma village, Kyangwali. His primary livelihood activity is repairing small cooking pots and pans, a niche service not typically offered by local repair-men. Given the specialisation of his work, and the unique method he used to repair holes in metal surfaces without the use of heat, George has often been approached by younger community members eager to learn his technique for their own repair businesses. Rather than charging them a fee for the training, he instead arranges reciprocal agreements in which his apprentices care for him when he falls ill or, increasingly, as he gets older, when he needs assistance with daily tasks.

Alternative avenues to self-reliance

In our research we encountered several alternatives to mainstream models of refugee assistance. Two such examples to encourage refugee's economic agency and self-initiative in strengthening their own livelihoods are explored below. The first, Kyangwali Progressive Farmers Limited, represents a case of 'bottom-up' action by a group of refugee farmers to collectively negotiate entry to a wider Ugandan market. The second, Technology for Tomorrow, showcases the potential and limitations of social enterprise as a model for promoting refugee livelihoods.

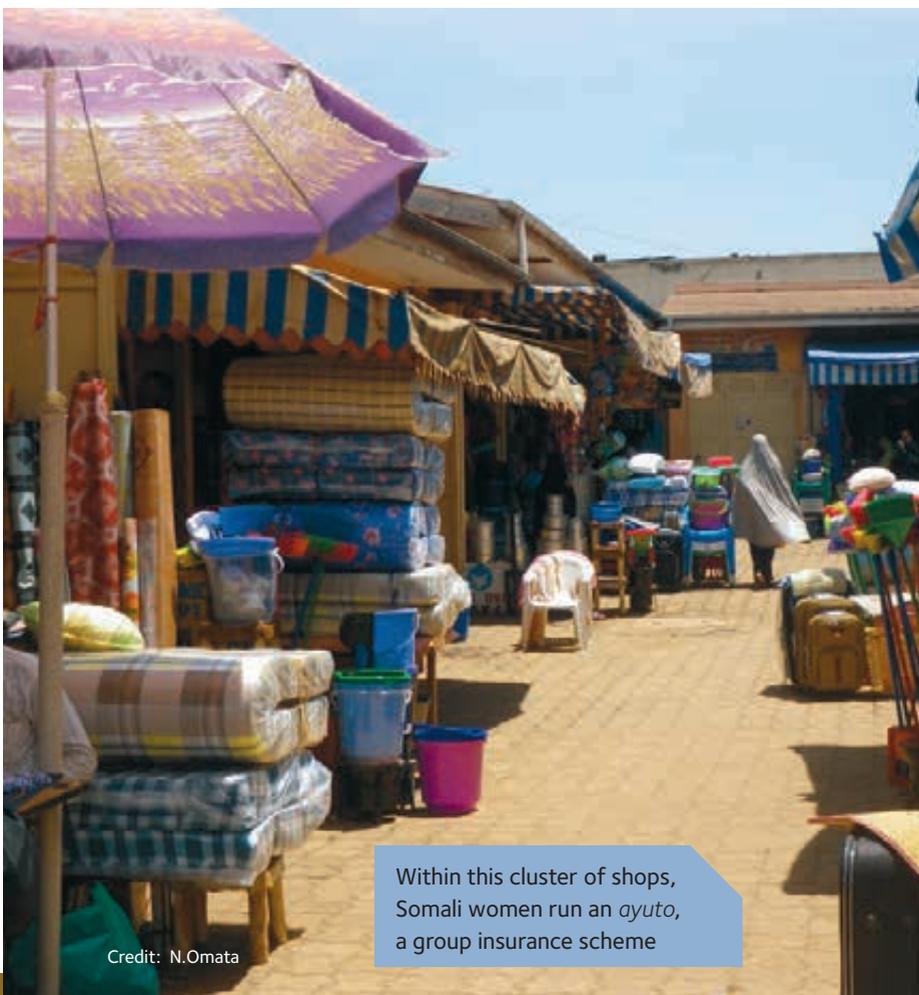
Kyangwali Progressive Farmers Limited

One refugee-established firm based in Kyangwali, the Kyangwali Progressive Farmers (KPF) Limited, represents a particularly illustrative example of the dynamics that shape such organisations. KPF was founded in 2010 by refugee farmers with the goal of improve their business conditions through collective bargaining power. KPF is officially registered with the Ugandan government as a private company, with the formal structure consisting of the director and its board members. As of 2013, KPF had a total of between 500-600 registered members. These included both refugees and Ugandan farmers living in neighbouring villages, respectively constituting 90% and 10% of the total membership.



Workers making MakaPads at factory in refugee settlement

Credit: L. Bloom



Within this cluster of shops, Somali women run an *ayuto*, a group insurance scheme

Credit: N.Omata

According to the KPF's founder, one of the central imperatives behind the organisation's formation was 'to bring together refugee and Ugandan farmers as a single representative body in order to safeguard and advocate for the rights of farmers, especially regarding prices on which crops have to be sold'. Although refugee farmers have formed long-term trade relationships with Ugandan crop merchants, many of them believe that with their solid confidence in the quality of agricultural products, they should also be able to sell their crops at a higher price. Their ambition is to go so far as to 'pass by' Ugandan intermediaries, negotiating directly with Ugandan wholesalers in Hoima and Kampala.

KPF's foundation has not been without significant challenges. For instance, most Ugandan large-scale companies are generally very cautious about signing direct contracts with KPF because they fear refugees might return to their country of origin any time. Needless to say, resistance from Ugandan and refugee middlemen is also tense; sensing a threat to their own livelihoods, these middlemen have found ways of bypassing the board of directors of KPF and manoeuvring to buy from refugee farmers at a cheaper price than the collective. Despite such difficulties, however, KPF has enjoyed some tangible success, most

notably its negotiation of a large contract with sub-contractors to help supply a major Ugandan beverage companies. The example of KPF demonstrates refugees' self-initiatives to make their life better which completely betrays the prevailing image of 'languishing refugees depending on international aid'.

Technology for Tomorrow (T4T)

In recent years, the model of 'social enterprises' – organisations that prioritise contributions to human and environmental well-being, rather than maximising profits for shareholders – has generated particular interest among policymakers as a potential new vehicle for promoting refugee's self-reliance. Founded by a Ugandan engineering professor at Makerere University, Technology for Tomorrow (T4T) represents one such social enterprise. T4T works on developing technologies for use in poor communities and bringing the products to market.

One of their innovative products is 'MakaPads', women's sanitary pads made from recycled office paper and locally grown papyrus. Due to the local and natural materials used in the products, the pads are cheaper and more environmentally friendly than conventional sanitary pads, mostly imported into Uganda by multi-national companies. The MakaPad product has attracted the attention of UNHCR and INGOs in Uganda, and T4T now act as the main supplier for UNHCR's distribution of the sanitary pads to all female refugees aged between 12-49 throughout the country's refugee settlements.

Beyond supplying to humanitarian organisations, T4T has also focused on providing employment to refugee at their manufacturing plants. With support from UNHCR, refugee employees are targeted for recruitment at T4T's manufacturing plant in Kyaka II settlement, and at the Kampala production site. T4T employs over 75 refugees out of their 250 staff workforce. Refugees are trained on different sections of the production for the MakaPads, and paid by the number of units they produce. Although the skills they learn are very specific to the job at hand, most of the refugee employees enjoy having a regular salary and have learnt to work with other refugees from different backgrounds as part of a team.

MakaPad currently relies on UNHCR for 90% of its sales, which raises important questions about the artificiality of T4T's market. The social enterprise is, however, looking to expand its business to reach the national market sector. T4T aims to retain its social objectives and therefore struggles to make large profits to invest in marketing and quality improvements for their product. Their unique partnership with refugee communities and UNHCR, demonstrates one social enterprise model for humanitarian benefit.

Recommendations

1) The Need for Market-Based Interventions

‘Build upon what there is’ is one of the fundamental principles for development practitioners. Interventions that aim to promote refugees’ sustainable livelihoods must be based on a sound and comprehensive understanding of existing markets and the private business sectors within which refugees are making a living. Premised upon an appreciation of existing refugee economies as complex systems, interventions should aim to either improve existing markets or to empower refugees to more effectively engage with those markets.

2) Helping Refugees to Help Themselves

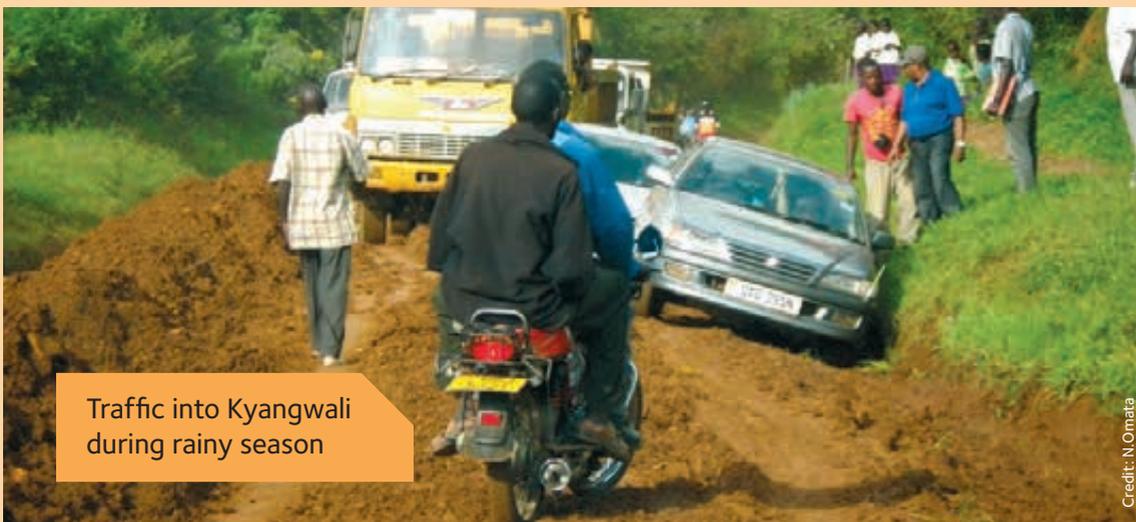
Refugees and displaced populations are not just passive victims. They have skills, talents, and aspirations. While many are in need of assistance, they have capacities as well as vulnerabilities. Rather than assuming a need for indefinite care and maintenance, interventions should nurture such capacities. This is likely to involve improved opportunities for education, skills development, access to microcredit and financial markets, business incubation, and improved internet access, for example.

3) Rethinking the Role of the Private Sector

With refugee policy debates, the private sector is too often assumed to be synonymous with multinational corporations or large foundations motivated by corporate social responsibility. In reality, the role of the private sector is more nuanced. It exists at the global, national, local, and transnational levels. The private sector has a range of modes of engagement and motives for involvement with refugees, including philanthropy, corporate social responsibility, and core business interests. Refugees and displaced populations can themselves be conceived as part of that private sector; they are producers, consumers, employees, beneficiaries, lenders, borrowers, and social entrepreneurs.

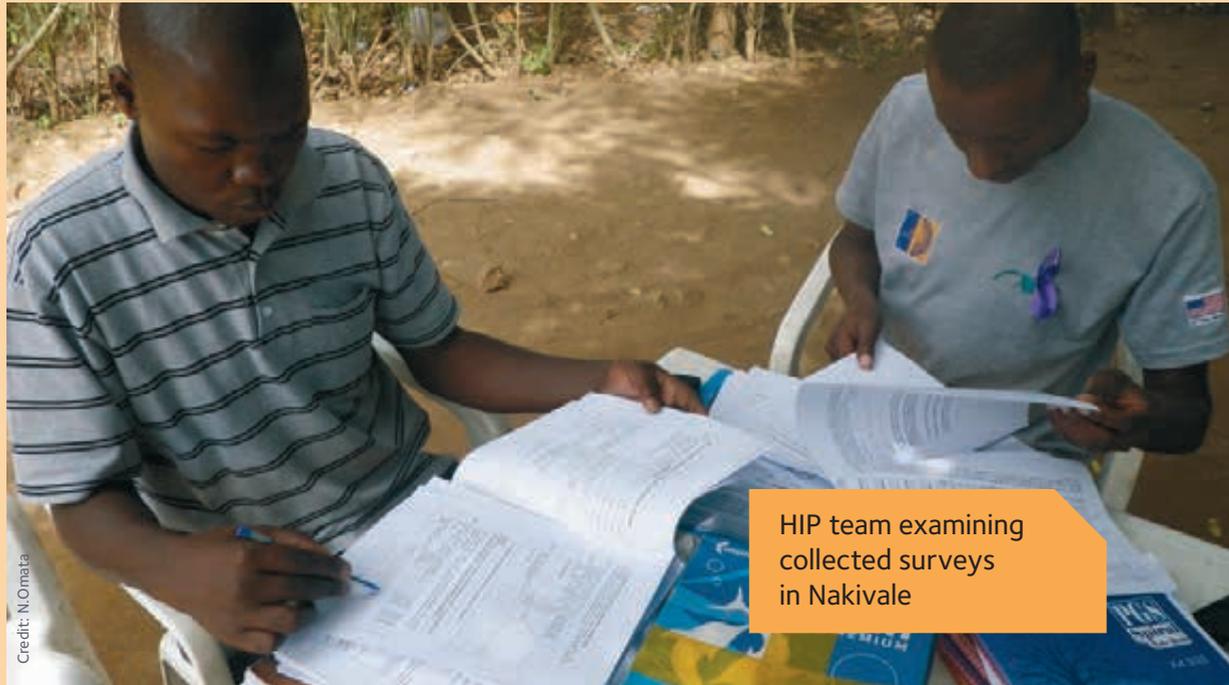
4) Innovation and Technology in Refugee Assistance

There is an emerging debate on ‘humanitarian innovation’, which has so far mainly focused on improving organisational responses. Our research highlights that refugees and displaced populations themselves innovate and use technology in their daily lives. Facilitating this form of ‘bottom-up’ innovation may offer a non-traditional way of enhancing refugees’ own capacity to develop sustainable opportunities. At its most simple, this may involve improving refugees’ access to ICT, as well as less conventional opportunities such as business incubation and transnational mentorship.



Traffic into Kyangwali during rainy season

Credit: N.Omata



Credit: N.Omata

HIP team examining collected surveys in Nakivale

5) Overcoming the Humanitarian-Development Divide

Assisting refugees and other displaced populations requires engagement by both humanitarian and development actors. At every phase of response - emergency, protracted situations, or in the context of return - displaced populations are likely to need a combination of rights and freedoms that enable them to flourish as human beings. This requires humanitarian and development actors to work together at both international and national levels.

6) The Need for Comparative Research

We know surprisingly little about the economic lives of displaced populations. This report is based on the preliminary publication of results from a single case study country. There is a need to develop an ongoing and systematic research agenda in this area. In particular, comparative case studies are needed a) in different regulatory environments (restrictive versus open), b) at different phases of a displacement crisis (e.g. emergency, protracted, and return), and c) for different categories of displacement (e.g. refugees, internally displaced persons, and people displaced in the context of natural disaster).

7) The Significance of a Participatory Approach

The participation of 'affected populations' is a frequently unfulfilled aspiration of research and practice. However, without the detailed knowledge of both locals and displaced populations, drawing a holistic picture of refugee economies would be virtually impossible. It should be an imperative of good research that it partners with communities in the design and implementation of that research. Done well, it can lead to both better data and leave a positive legacy of training and skills development.

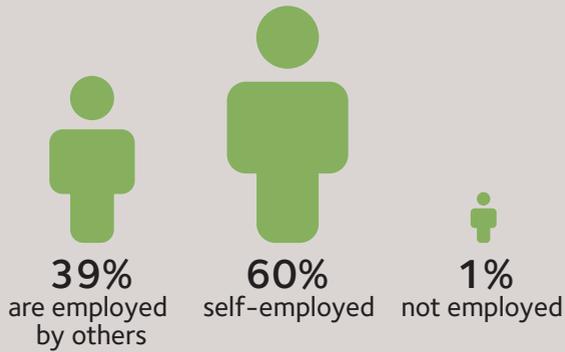
8) Better Political Analysis

Markets function in the context of states' policies. Restrictive refugee policies will limit the capacity of refugees to engage with markets in ways that can lead to sustainable opportunities. When refugees are given the right to work and freedom of movement, they are capable of making a contribution to the national economy. Importantly, though, governments' policy choices are the result of national politics. In order to enhance market-based opportunities for displaced populations, it is important to better understand and engage with the political context and incentive structures within which national refugee policies are made.

Refugee Economic Network

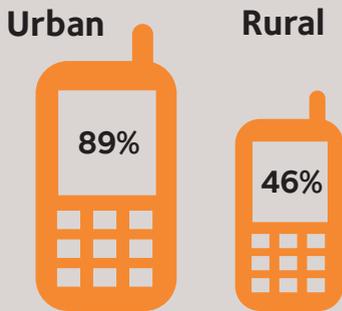
Highlights of economic activities involving refugees in Uganda

Refugees are economic actors



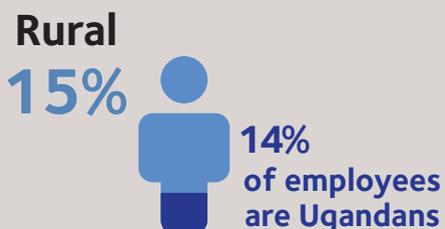
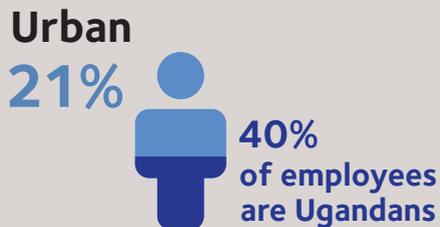
Refugees are tech users

89% of refugees in urban setting and 46% of refugees in rural settlements use mobile phones in their main income generating activity.



Refugees generate employment

21% employ others in urban setting and 15% employ others in rural settlements respectively. Up to 40% of those are Ugandans.

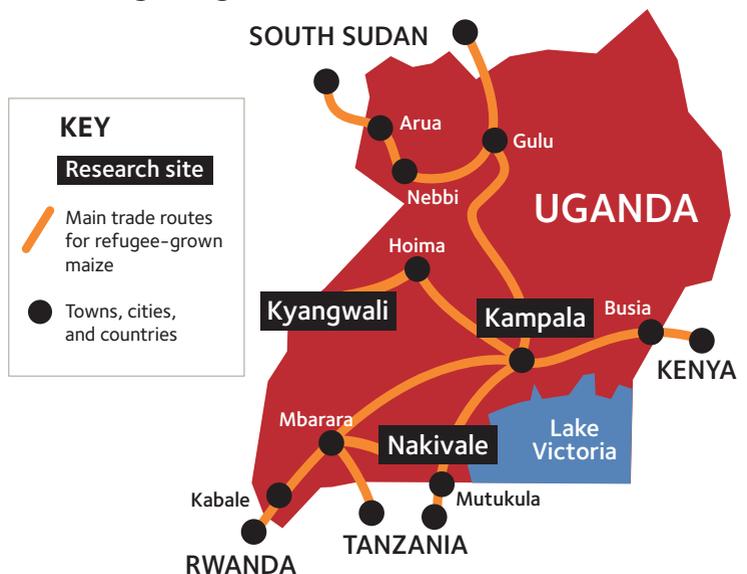


There are **200,000 refugees in Uganda** (to nearest 1,000, UNHCR 2013)



Refugees are producers

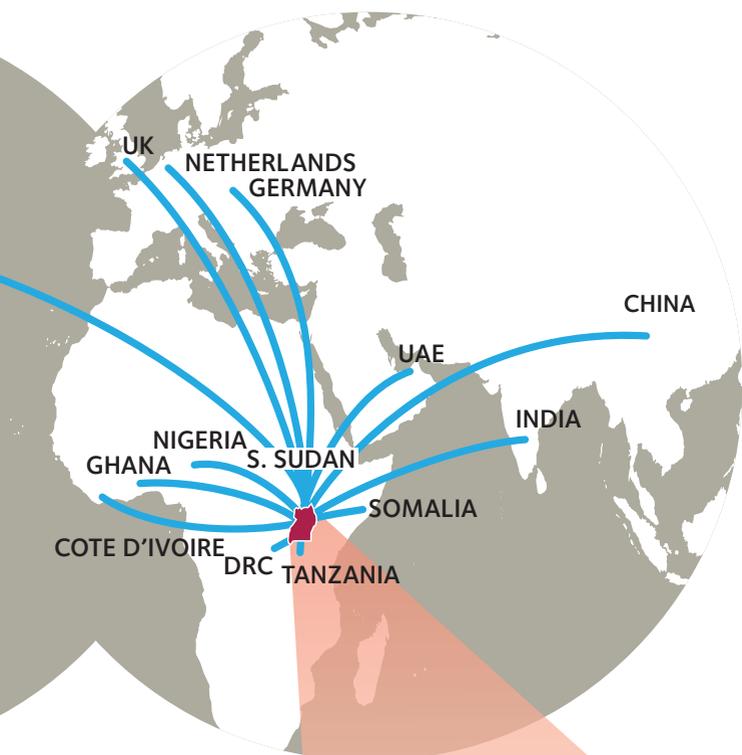
Refugee-grown maize trade network



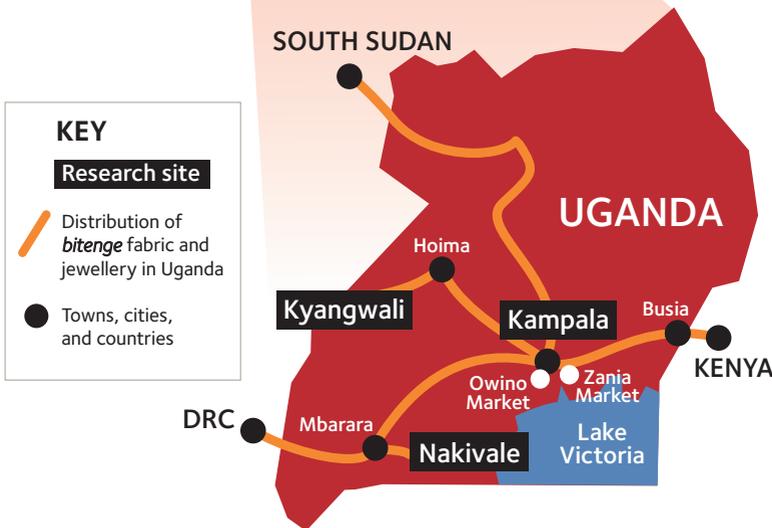
Refugees are part of international trade networks

Refugees are integral parts of international, national and local value chains for commodities and services ranging from fresh farming produce, to textiles and jewellery, cosmetics, clothing, and transport.

The blue arrows on the map show international imports of a variety of goods into Uganda, as part of refugees' trade.

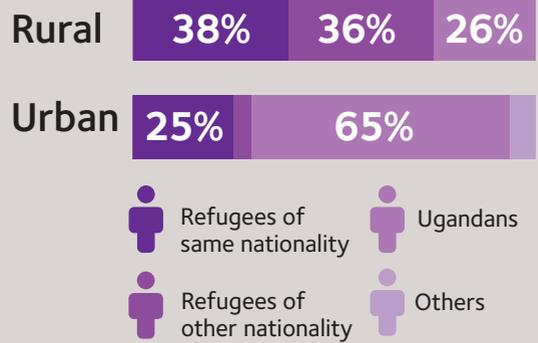


Bitenge fabric & jewellery import and distribution

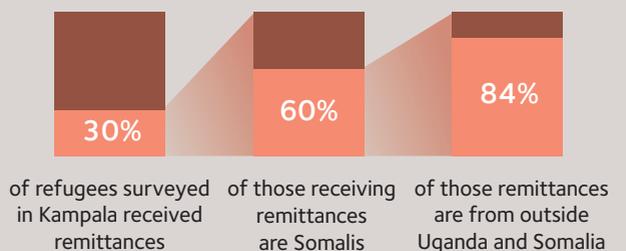


Ugandans are important customers to refugee businesses

Refugees of other nationalities and Ugandans are key customers to refugee owned businesses. In Kampala, 65% of refugee businesses say that Ugandans are their most important customers.



Remittances received mostly from family and friends internationally



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