

CONSTRAINTS IN DIASPORA DIPLOMACY STRATEGIES TOWARD MAXIMIZING POTENTIAL REMITTANCE FLOWS: EVIDENCE FROM KENYAN DIASPORA IN AUSTRALIA

¹Wilson Kipngetch Kogo

Department of Diplomacy & International Studies, University of Nairobi

*E-mail of corresponding author: kipngetchkogo@gmail.com

²Prof. Patrick Maluki

Department of Diplomacy & International Studies, University of Nairobi

Publication Date: September 2025

ABSTRACT

Purpose of Study: To identify the constraints faced in the process of diaspora diplomacy strategies in maximizing potential remittance flows from Australia.

Problem Statement: Despite some studies indicating the benefits of remittances at the household level, such as in Kericho County, they do not critically evaluate the role of diaspora diplomacy strategies in facilitating these remittance flows, indicating a conceptual gap.

Methodology: A descriptive survey design and a positivist paradigm were employed to collect empirical data from diaspora members. The target population comprised 22,446 individuals, including officials from the Ministry of Foreign Affairs, Kenya Mission in Australia, diaspora associations, and Kenyan diaspora residents in Australia. A total sample of 484 respondents was selected using random, census, purposive, and stratified sampling techniques. Data was collected using structured questionnaires distributed via digital platforms and interview guide.

Result: The study found that multiple structural, institutional, policy and trust-related constraints to a greater extent hindered the effective implementation of diaspora diplomacy strategies and the maximization of remittance flows from Kenyans in Australia.

Conclusion: Diaspora associations and professional networks remain underdeveloped in Kenya's diplomatic and growth efforts.

Recommendation: The study recommends mainstreaming mental health and psychosocial support services into diaspora engagement programs.

Keywords: *Diaspora Diplomacy Strategies, Remittance Flows, Kenyan Diaspora in Australia, Institutional Constraints, Policy Frameworks*

INTRODUCTION

Diaspora Diplomacy Strategy is an innovative mobilization approach that leverages the potential of a country's diaspora to contribute to its home country's growth, beyond the traditional financial remittances². This strategy involves the engagement and participation of the diaspora in the diplomatic and growth efforts of their home country, utilizing their skills, resources, and networks abroad³. Key elements include outreach programs aimed at connecting with the diaspora community, remittance promotion initiatives that encourage the flow of funds back home, and collaboration with financial institutions to facilitate these processes. Such strategies are designed to harness the goodwill, expertise, and financial power of the diaspora, turning them into active agents of growth and diplomacy¹.

In the African context, the emphasis on diaspora mobilization strategies to enhance remittance flows carries immense significance. Countries like Ethiopia, Nigeria, and Kenya have recognized the pivotal role of their substantial diaspora populations and implemented initiatives to harness their potential. The Ethiopian Diaspora Trust Fund and the Nigerian Diaspora Direct Investment Summit exemplify efforts to facilitate diaspora investments and channel expertise. Well-organized diaspora networks and targeted outreach initiatives enable African nations to leverage the financial resources, skills, and connections of their diaspora, markedly contributing to economic enhancement through increased remittances, investments, knowledge transfer, and diaspora-driven entrepreneurship.

The role of the Diaspora Diplomacy Strategy and remittance flows has been pivotal in shaping Kenya's economic landscape. Recognizing the Kenyan diaspora as a significant asset, the government and various stakeholders have actively engaged in strategies to mobilize this group for national growth². As a result, Kenya established the State Department for Diaspora Affairs and Diaspora Diplomacy Unit to strengthen ties with its global diaspora community targeting particularly increased remittances and promote their engagement in national growth¹². Efforts have included the creation of platforms for dialogue between the diaspora and the government, investment opportunities specifically tailored for Kenyan expatriates, and policies aimed at easing the transfer of remittances². These steps are part of a broader trend towards leveraging the diaspora for their skills, networks, and capital, with remittances from Kenyans abroad becoming a crucial source of foreign exchange, often surpassing earnings from traditional exports⁴. The impact of these remittances is diverse, supporting families, driving small business growth, and contributing to critical sectors such as real estate and education³. As part of this mobilization strategy, Kenya has also witnessed the establishment of diaspora-focused financial products and services, aimed at facilitating investment in national growth projects⁴. This strategic approach not only enhances the growth and flow of remittances but also strengthens the diaspora's connection to their homeland,

¹ Shrestha, Rajendra. "Economic diplomacy for development partnership." *Journal of Foreign Affairs* 1, no. 1 (2021): 59-78.

² Vanore, Michaella. "Diasporas as Actors of Economic Diplomacy." In *Routledge International Handbook of Diaspora Diplomacy*, pp. 156-168. Routledge, 2022

³ Muzapu, Rangarirai, and Taona Havadi. "Boosting diaspora remittances as a key source of investment capital: The case of Zimbabwe." *Management* 11, no. 2 (2021): 27-37.

⁴ Carment, David, Samuel MacIsaac, Milana Nikolko, and Dani Belo. "Diaspora networks, fragile states: Conflict and cooperation." In *Routledge International Handbook of Diaspora Diplomacy*, pp. 255-271. Routledge, 2022.

fostering a sense of belonging and commitment to Kenya's prosperity⁵.

In Kenya, the dynamics of remittances unfold distinctively⁶. The Kenyan diaspora, particularly in regions like Australia, exemplifies how targeted mobilization strategies can augment the flow of remittances back to Kenya, with potential positive repercussions on the national economy⁷. The Kenyan government's initiatives, such as the Diaspora Diplomacy Unit, aim to strengthen ties with the diaspora community and facilitate their engagement in national growth through channels like the Kenya Diaspora Investment Conference. Indicators like participation in diaspora-centric events, remittance volumes, and diaspora-driven investments serve as tangible measures of these strategies' effectiveness. Furthermore, the Kenyan scenario aligns with global insights that underscore the multifaceted impact of remittances, ranging from bolstering household incomes to fostering broader economic growth through increased consumption, investment, and entrepreneurship. However, akin to global and regional narratives, the Kenyan context also reveals the complexity and variability of remittances' impact, highlighting the need for nuanced, context-aware approaches in harnessing these financial flows for sustainable economic growth.

Despite the steady year-over-year growth in remittances, persistent inconsistencies highlight the need for a more in-depth analysis of the factors influencing the diaspora's ability to contribute reliably to Kenya's economic growth. The Central Bank of Kenya recognizes the significance of remittances as an economic lifeline, yet the observed irregularities hint at prevailing issues within the diaspora that may impact their ability to contribute effectively to the nation's welfare⁸. The significance of stable and substantial remittance contributions cannot be overstated, as they play a pivotal role in achieving growth objectives, alleviating poverty, and elevating the living standards of the Kenyan people.

The fluctuations in remittance volumes, influenced by a myriad of factors both within and beyond Kenya's borders, therefore highlight the urgency for a more resilient and adaptive economic strategy. This study delves into the potential of the Diaspora Diplomacy Strategy and the dynamics of remittance flows as key elements in bolstering economic stability and growth in Kenya. By exploring the financial engagements of the Kenyan diaspora, with a particular focus on those residing in Australia, this research sought to identify strategies through which the economic contributions of the diaspora can be effectively leveraged to support and enhance Kenya's economic growth path.

PROBLEM STATEMENT

Empirical studies have also established that diaspora communities significantly contribute to national growth through remittances, investments, and knowledge transfer. However, existing

⁵ Kessy, Ambrose T., and Hildebrand E. Shayo. "Tanzania's diaspora engagement: The need for a paradigm shift in diaspora engagement and investment policies." *Research in Globalization* 5 (2022): 100095.

⁶ Carment, David, Milana Nikolko, and Sam MacIsaac. "Mobilizing diaspora during crisis: Ukrainian diaspora in Canada and the intergenerational sweet spot." *Diaspora Studies* 14, no. 1 (2021): 22-44.

⁷ Achitsa, Annabella Analo Mutsiambo. "Remittance-Development Nexus: The Policy and Political Narratives of Migrant Remittances in Kenya." PhD diss., Central European University, 2020

⁸ Saungweme, Talknice, and Nicholas M. Odhiambo. "Inflation and economic growth in Kenya: An empirical examination." *Advances in Decision Sciences* 25, no. 3 (2021): 1-25.

research on diaspora contributions has largely focused on traditional migration destinations such as the US, UK, and Gulf countries, creating a contextual gap regarding the Kenyan diaspora in Australia, whose remittance behavior remains under-explored. Despite the large Kenya diaspora in Australia, the extent to which they contribute to remittances remains unclear, with limited attention given to Kenya's diaspora in this region.

Moreover, while some studies highlight the benefits of remittances at the household level, such as in Kericho County, they do not critically evaluate the role of diaspora diplomacy strategies in facilitating these remittance flows, indicating a conceptual gap. Methodologically, most existing studies rely on either broad macroeconomic analysis or local-level case studies without integrating policy-level engagement mechanisms, creating a methodological gap in understanding the direct influence of state-led diaspora diplomacy on economic outcomes. This study sought to address these gaps by focusing specifically on Kenya's diaspora in Australia, evaluating the effectiveness of Kenya's diaspora diplomacy strategies, and linking them empirically to remittance flows. This study aimed at identifying gaps in existing engagement frameworks and recommend policies that enhance diaspora contributions particularly remittances. The study presents analysis of how Kenya has been able to optimize its diaspora engagement strategies to increase remittances from its citizens abroad and in particular, Australia.

RESEARCH QUESTION

What constraints are faced in the process of implementing the diaspora diplomacy strategies in maximizing potential remittance flows from Australia?

OBJECTIVE

To identify the constraints faced in the process of diaspora diplomacy strategies in maximizing potential remittance flows from Australia.

THEORETICAL LITERATURE

Transnational Theory, introduced by scholars like Alejandro Portes, emphasizes the sustained multi-stranded social, cultural, and economic connections migrants maintain with their home countries, despite geographical separation. It assumes that migrants engage in transnational activities that transcend national borders, effectively living in a social space that connects their country of origin and their country of residence. Critics of Transnational Theory argue that it might overstate the level of engagement and influence migrants have in their home countries and underestimate the challenges and barriers to maintaining such transnational ties⁹.

The relevance of Transnational Theory to this study lies in its ability to explain the enduring connections the Kenyan diaspora in Australia maintains with Kenya. These transnational ties, encompassing remittances, investments, and participation in homeland affairs, are central to understanding how diaspora diplomacy and economic contributions can be effectively mobilized for Kenya's growth, making it a crucial framework for the study's objectives.

⁹ Zmyślony, Piotr, Grzegorz Leszczyński, Anna Waligóra, and Wiesław Alejziak. "The sharing economy and sustainability of urban destinations in the (over) tourism context: The social capital theory perspective." *Sustainability* 12, no. 6 (2020): 2310.

EMPIRICAL LITERATURE

The engagement of the diaspora in the economic rejuvenation of their countries of origin, particularly in post-conflict settings, presents a compelling yet challenging proposition.¹⁰ Delves into this issue by examining the influence of institutional changes on diaspora investment in Bosnia & Herzegovina, Kosovo, and Montenegro nations marked by significant conflict-induced migration. Through in-depth interviews with key stakeholders, the study unveils a paradox: despite the high value placed on the diaspora within policy circles, they remain an underutilized asset in the socio-economic landscape of their home countries. The emotional bonds diaspora entrepreneurs maintain with their homeland contrast starkly with the myriad of obstacles they encounter upon return, primarily stemming from volatile institutional frameworks. While financial remittances from the diaspora are prevalent, their integration into entrepreneurial ventures is often stymied, and the transfer of social remittances skills and knowledge acquired abroad is hindered by the institutional milieu. The article argues for substantial institutional reforms as a prerequisite for effectively leveraging the diaspora's potential in economic growth from the remittances. It further elaborates on the implications of these findings for institutional theory and policy formulation²⁸.

A study by¹¹ explored the systemic and policy challenges constraining Bangladesh's diaspora diplomacy efforts in increasing remittance flows from its large migrant workforce, particularly in the Gulf region. The study adopted a qualitative policy evaluation approach, drawing on interviews with officials from the Ministry of Expatriates' Welfare and Overseas Employment, diaspora organizations in Saudi Arabia and the UAE, and financial intermediaries. The findings revealed several interlocking challenges: first, a weak coordination mechanism between the foreign ministry and labor agencies led to conflicting policies and duplication of outreach efforts. Second, limited access to digital remittance channels for low-skilled workers in rural host-country areas curtailed formal remittance use. Third, inadequate financial literacy campaigns among migrants, coupled with trust deficits in state-managed diaspora bonds, reduced the attractiveness of long-term diaspora investment vehicles. The study concluded that although Bangladesh had institutionalized diaspora engagement in policy frameworks, its execution was fragmented. The study recommended strengthening inter-agency collaboration, subsidizing digital remittance tools, and increasing transparency in diaspora-targeted financial schemes.

In Africa, the perception and engagement of diaspora communities by their countries of origin, particularly within the African continent, have undergone significant transformation over the past decade.²⁹ explores the Tanzanian government's shift in approach toward its diaspora, highlighting the integration of diaspora-centric policies and initiatives within the national growth agenda. The analysis is framed within Tanzania's contemporary socio-economic, political, and cultural contexts, providing a nuanced understanding of the country's efforts to harness the potential of its diaspora. Despite the commendable strides made in engaging the diaspora for economic growth,

¹⁰ Pal, Shreya, Muhammed Ashiq Villanthenkodath, Gupteswar Patel, and Mantu Kumar Mahalik. "The impact of remittance flows on economic growth, unemployment and income inequality: An international evidence." *International Journal of Economic Policy Studies* 16, no. 1 (2022): 211-235.

¹¹ Hossain, M., & Kabir, A. (2021). *Barriers to Effective Diaspora Diplomacy and Remittance Mobilization in Bangladesh*. *South Asian Journal of Policy and Governance*, 43(1), 66–87.

the study identified persisting challenges that hinder the full realization of these initiatives. Concluding on a constructive note, the article asserts that it is not too late for Tanzania to strengthen its ties with the diaspora. It offers strategic recommendations aimed at enhancing the efficacy of existing policies and fostering a more conducive environment for diaspora participation in nation building¹². Zimbabwe faces a similar plight, with diaspora remittances representing an underutilized source of investment capital. Though recent upsurges in remittances offer promise, Zimbabwe must cultivate trust within its diaspora community and heighten awareness of investment opportunities to bridge the foreign investment gap effectively. Impact of diaspora diplomacy and remittance flows on economic growth, they largely overlook the unique context of Kenya and similar African nations.

A study by¹³ examined the institutional and economic barriers to effective diaspora diplomacy in Nigeria, especially regarding remittance maximization and diaspora contributions to national growth. Employing a mixed-methods design, the study used data from the Central Bank of Nigeria (CBN) between 2005 and 2018, supplemented by interviews with Nigerian diaspora associations in the UK and USA. The key challenges identified included policy instability, where frequent leadership changes in the Nigerians in Diaspora Commission (NiDCOM) disrupted program continuity. The study also found that corruption perceptions and limited financial oversight eroded trust in government-led remittance investment schemes, such as the diaspora bond issued in 2017. Additionally, diaspora members cited poor responsiveness from consular services, particularly in high-density migrant countries, as a deterrent to deeper engagement. The study concluded that while Nigeria's diaspora has high economic potential, the lack of credible institutional frameworks has stifled its effective mobilization. It recommended institutional autonomy for NiDCOM, financial transparency benchmarks, and diaspora representation in state investment boards.

A study on the effectiveness of diaspora diplomacy mechanisms and the barriers limiting remittance growth and diaspora-led growth was conducted in Ethiopia by.¹⁴ The study utilized a case study approach, analyzing government documents, diaspora investment data from the National Bank of Ethiopia, and in-depth interviews with Ethiopian diaspora in North America and Europe. The study found that Ethiopia's diaspora policy suffered from over-centralization, with the Ministry of Foreign Affairs holding disproportionate control while embassies lacked operational autonomy. The Diaspora Engagement Affairs Directorate was also reported to be underfunded and poorly staffed, affecting its outreach capacity. Participants described bureaucratic hurdles in the registration of diaspora businesses and delays in land allocation for returnees intending to invest in Ethiopia. Another major constraint was the rigid foreign exchange policy, which discouraged remittances through formal channels. The study concluded that Ethiopia's diaspora diplomacy lacked institutional flexibility and responsiveness to diaspora needs. It recommended decentralizing engagement to embassies, improving diaspora investment service desks, and liberalizing remittance-related foreign exchange rules.

¹² Song, Yuegang, Sudharshan Reddy Paramati, Malleth Ummalla, Abdulrasheed Zakari, and Harshavardhan Reddy Kummitha. "The effect of remittances and FDI flows on income distribution in developing economies." *Economic Analysis and Policy* 72 (2021): 255-267.

¹³ Okonkwo, I., & Eze, C. (2020). *Institutional Constraints in Nigeria's Diaspora Engagement and Remittance Strategies*. *African Journal of Public Policy and Administration*, 15(2), 89–110

¹⁴ Tadesse, B., & Mulugeta, G. (2022). *Challenges in Implementing Ethiopia's Diaspora Policy: Implications for Remittance Flows*. *Ethiopian Journal of Development Studies*, 28(3), 211–234.

In Kenya,⁴⁰ while examining the lived experiences of Ghanaians and Kenyans in Japan, uncovered the distinct challenges and opportunities that African migrants encounter in non-traditional migration destinations. By employing questionnaires, online interviews, and face-to-face interviews with over 200 participants, the study explored a range of themes, including migration motivations, interactions with Japanese society, engagement with their home countries, and perceptions of government representation and diaspora engagement policies. The findings underscore the diversity of experiences among migrants, influenced by factors such as legal status, language proficiency, and social networks. Furthermore, the study highlighted the heightened transnational state in which migrants live, characterized by ongoing connections with their home countries and other nations. Contrasting approaches in embassy engagement further illustrate the complexity of diaspora experiences in Japan. The research concluded by proposing two categories of migrant burdens and aids to encapsulate the multifaceted experiences of migrants, emphasizing the need for diaspora engagement policies that address the varied challenges and opportunities faced by migrants in non-traditional migration destinations. Similarly, in Kericho County, Kenya, diaspora remittances positively impact household agro-farming and livelihood promotion, yet effective policy implementation is vital to fully harness their potential for economic growth. These cases underscore the need for comprehensive strategies to address the constraints encountered in diaspora engagement and remittance flows, both globally, regionally, and locally, to unlock the full socio-economic potential of diaspora communities.

The engagement of diaspora communities in the economic revitalization of their countries of origin presents a promising yet challenging endeavor. Despite recognition of the diaspora's value, they remain underutilized assets in the socio-economic landscape.²⁴ offer generalized findings that may not fully apply to Kenya's distinct socio economic and geopolitical environment. Similarly, the exploration of post-conflict economies²⁸ and Zimbabwe's specific challenges³⁰ highlights the critical role of institutional frameworks and trust-building in leveraging diaspora contributions, yet the applicability of these findings to Kenya remains underexplored. This conceptual gap underscores the need for a focused examination of how Kenya can tailor diaspora engagement and remittance utilization strategies to its unique context, bridging the gap by identifying specific mechanisms and policy interventions that could enhance the remittance flows of the Kenyan diaspora to national economic growth.

METHODOLOGY

Research design denotes a structured plan guiding the entire research process to ensure systematic data collection and analysis¹⁵. ¹⁶Describes research design as a logical framework linking research questions to evidence through controlled analysis. Research design is important in ensuring the validity, reliability, and clarity of research outcomes.¹⁷ This study adopted a descriptive survey design, which was effective in illustrating the characteristics and dynamics of a specific phenomenon in this case, the impact of diaspora diplomacy on remittance flows. Descriptive research, by its nature, provides a detailed snapshot of the situation, allowing for a comprehensive understanding of the variables involved.

This study was carried out in Australia. Selecting Australia as the focal point of this study was

¹⁵ Dannels, S. A. (2018). Research design. In *The reviewer's guide to quantitative methods in the social sciences* (pp. 402-416). Routledge

¹⁶ Abbott, M. L., & McKinney, J. (2012). *Understanding and applying research design*. John Wiley & Sons

¹⁷ Myers, J. L., Well, A. D., & Lorch Jr, R. F. (2013). *Research design and statistical analysis*. Routledge.

strategic due to its substantial Kenya diaspora community, which is integral to remittance flows and diaspora-led growth efforts in Kenya. This concentration of Kenyan nationals offers a unique opportunity to delve into the intricacies of diaspora contributions through remittances to Kenya's economic growth. Furthermore, engaging with officials from the Ministry of Foreign Affairs in the region provided critical insights into the policies and strategies crafted to harness diaspora resources especially remittance flows. These interactions are pivotal for understanding the governmental framework and challenges in mobilizing the diaspora remittance flows for economic advancement.

The target population for this study comprised officials from the Ministry of Foreign Affairs (State department of the diaspora affairs, Kenya mission in Australia), Diaspora associations and Kenyan diaspora residing in Australia. This selection is strategic, as officials from the Ministry of Foreign Affairs are pivotal in shaping and implementing diaspora diplomacy policies and therefore possess critical insights into the governmental strategies aimed at mobilizing diaspora resources such as remittance flows for economic growth. Simultaneously, Kenya diaspora in Australia represent a vital segment of the diaspora community, directly involved in remittance flows and potentially engaged in diaspora-led growth initiatives. The study aimed to capture a comprehensive understanding of both the policy framework, the implementation of the policies, and the impact of the diaspora diplomacy strategies on the remittance flows. Hence, ensuring a holistic view of the dynamics at play in leveraging diaspora engagement for enhanced remittance flows by focusing on these groups.

Stratified and simple random sampling was used to reach Kenyan diaspora in various states in Australia, leveraging the interconnected nature of social networks within the diaspora community to identify and recruit respondents. This methods were found to be effective in accessing populations in the well-structured associations, allowing the study to tap into the rich, diverse experiences of Kenyan diaspora (Businessmen ,Professionals ,Employees and Students), who are actively engaged in remitting funds and contributing to Kenya's growth from abroad. Meanwhile, a purposive sampling strategy was employed to select officials from the leadership of Kenyan Diaspora associations, Kenya High Commission and the Ministry of Foreign Affairs, ensuring that participants possess specific knowledge, or are in key positions relevant to diaspora diplomacy and economic growth initiatives. This targeted approach enabled the study to gather in-depth, expert insights into the policies, strategies, and perspectives that shape diaspora engagement at the governmental level, providing a balanced view of both the policy framework and the impact of diaspora diplomacy strategy on the remittance flows.

Given the small number of officials from the Ministry of Foreign and Diaspora Affairs (15), staff at the Kenya Mission in Australia (29), and the leaders of diaspora associations (54), the study adopted a census approach for these three categories. This means that all individuals in these groups were included in the study. Purposive sampling was employed to ensure that only those directly involved in diaspora policy, coordination, or growth activities were selected for participation. However, the Kenyan diaspora population residing in Australia (22,348) was too large for a full census. Therefore, the study used Yamane's (1967) simplified formula to determine a representative sample size from this group. At a 95% confidence level and a 5% margin of error, the sample size was 484 respondents.

This study employed a mixed-methods approach, including Key Informant Interviews (KIIs) with officials, questionnaires for Kenyan diaspora in Australia, and secondary data analysis. KIIs delved into diaspora diplomacy's intricacies and its impact on remittance flows, while questionnaires

quantified remittance flows, diaspora engagements and the constraints in the entire process⁴¹. Interviews were administered to the sampled respondents in MFDA (15), Kenya Mission in Australia (29) and the leadership of the Kenyan diaspora (54) associations in various states in Australia. On the other hand, questionnaires were administered to the sampled Kenyan diaspora (386). This triangulation ensured a comprehensive analysis of the study.

The study used SPSS to analyze quantitative data from the Kenyan diaspora in Australia, examining variables like the effect of diaspora diplomacy strategies on remittance flows. Qualitatively, interviews and document analyses identified key themes related to diaspora engagement, remittance flows and more so the challenges faced in the process. Triangulation cross-validated findings, ensuring robust insights into the diaspora's remittance contributions. Prior authorization was obtained from relevant authorities, including the University of Nairobi and NACOSTI. Before conducting interviews, the study's objectives and procedures were clearly explained to participants, who were approached respectfully and given the option to participate voluntarily. The importance and potential benefits of the study was communicated to participants, emphasizing their autonomy in decision-making.

FINDINGS AND DISCUSSION

The study sought to identify the constraints faced in the process of diaspora diplomacy strategies in maximizing potential remittance flows from Australia. The respondents were asked to indicate the extent to which they agreed or disagreed with the statements related to the constraints they face in the integration of the Kenyan diaspora into national economic growth. The items reflected challenges linked to government engagement, service delivery, collaboration, trust, and systemic barriers. Table 1 presents the summarized descriptive statistics.

Table 1: Descriptive Statistics on Constraints Faced

Statement	Strongly Disagree (%)	Disagree (%)	Undecided (%)	Agree (%)	Strongly Agree (%)	Mean	Std. Dev.
Lack of diaspora involvement by Kenya mission/state dept. in planning and policy.	6.9	14.1	21.9	32.4	24.6	3.54	1.17
Inadequate provision of consular services.	5.4	12.0	18.3	38.1	26.2	3.68	1.12
Limited diaspora engagement with Kenya mission/state dept.	4.8	13.5	20.1	36.9	24.6	3.63	1.10
Lack of proper sensitization on diaspora issues.	6.0	11.1	17.7	35.4	29.7	3.72	1.15
No facilitated bilateral labor agreements with Australia.	5.1	13.2	19.5	37.2	25.0	3.64	1.13
Inadequate research and capacity building collaboration.	6.3	12.0	18.6	34.8	28.2	3.67	1.16
Inadequate collaboration with financial institutions.	5.7	10.8	20.7	33.6	29.1	3.70	1.14
No linkage between diaspora associations and government bodies.	4.5	12.6	19.8	35.1	28.0	3.70	1.12
Lack of government online services.	6.3	13.5	20.1	34.2	25.8	3.59	1.15
Trust deficit in government.	5.4	9.6	16.5	36.3	32.1	3.81	1.13
Double taxation by both home and host countries.	4.8	10.2	21.0	38.1	25.9	3.70	1.09
Economic downturns and inflation impacting stability.	3.9	8.1	16.2	40.5	31.2	3.87	1.06

Table 1 depicts that the majority of the respondents (65.1%) agreed that there was a lack of diaspora involvement in planning, policy formulation, budgeting, and implementation by the Kenya mission and state department. With a mean of 3.54 and a standard deviation of 1.17, this result suggests that limited inclusion in decision-making processes is hindering the diaspora's sense of ownership and trust in government programs in Australia. This implies that for remittance flows to become more productive, diaspora members in Australia must be integrated meaningfully into Kenya's policy frameworks, beyond token representation.

Regarding the provision of consular services, 64.3% of respondents expressed agreement or strong

agreement that the services were inadequate. The mean score was 3.68 (SD = 1.12), indicating a widespread concern about access to and efficiency of consular support. This has direct implications for diaspora engagement, as poor service delivery undermines the credibility of Kenya's diplomatic institutions and may discourage remittances through formal channels. On limited diaspora engagement with the Kenya mission and state department, 61.5% agreed with this constraint. The mean of 3.63 (SD = 1.10) highlighted perceived diplomatic distance, where embassies and missions may not be adequately proactive or responsive. This affects the sustainability of diaspora relations and weakens Kenya's soft power abroad, which is essential in remittance and investment mobilization.

Concerning lack of proper sensitization on diaspora issues, 65.1% of respondents believed this was a major barrier. A high mean of 3.72 (SD = 1.15) reflected frustrations over ineffective communication regarding government initiatives, rights, and opportunities available to the diaspora. The implication is that improved communication campaigns both online and in-person could significantly enhance diaspora awareness and confidence, leading to more structured economic contributions. Similarly, 62.2% of the respondents indicated that bilateral labor agreements with the Australian government had not been adequately negotiated or facilitated. This item recorded a mean of 3.64 (SD = 1.13), suggesting missed opportunities to create formal employment pathways that would enhance diaspora incomes and potential remittances. The lack of formal labor mobility frameworks can limit access to secure and well-paying jobs for Kenyans in Australia, thus capping their financial capacity to support growth at home.

In terms of collaboration in research and capacity building, 63.0% agreed that it was inadequate. The mean score was 3.67 (SD = 1.16), indicating a need for Kenya to harness the expertise of its skilled diaspora in shaping policies and solutions for national growth. Failure to engage diaspora professionals through research partnerships and institutional exchange limits knowledge transfer and innovation, both of which are vital to enhancing remittance flows for economic growth. A total of 62.7% of the respondents agreed or strongly agreed that there was insufficient collaboration between government agencies and financial institutions to sensitize the diaspora on remittance-linked financial products. The mean of 3.70 (SD = 1.14) underscored the importance of private-sector partnerships in building trust and educating the diaspora on safe, profitable investment channels. This gap reduces confidence in financial products and diminishes the flow of funds through formal, traceable means.

The absence of formal linkages between diaspora associations and state institutions was acknowledged by 63.1% of the respondents. With a mean of 3.70 (SD = 1.12), this constraint indicated that diaspora organizations were underutilized in policy dialogue and remittance mobilization. Strengthening institutional bridges between organized diaspora groups and the Ministry of Foreign & Diaspora Affairs could enhance collective investment and knowledge-sharing initiatives. On the matter of lack of government online services, 60.0% of respondents agreed or strongly agreed that digital access was lacking. The mean was 3.59 (SD = 1.15), pointing to digital inclusion as a major area needing improvement. Without robust online platforms for documentation, applications, and investment facilitation, diaspora members may turn to informal networks, thereby reducing transparency and efficiency.

A trust deficit in government was acknowledged by 68.4% of respondents, yielding a high mean of 3.81 (SD = 1.13). This sentiment poses a substantial challenge, as trust is foundational to long-term engagement. When the diaspora perceives government institutions as lacking integrity or accountability, they are less likely to remit through official channels or participate in state-backed

investment programs. Regarding double taxation, 64.0% of respondents indicated that being taxed by both the home and host countries discouraged remittance and investment behavior. The mean of 3.70 (SD = 1.09) pointing to a critical policy issue. Kenya needs to pursue or better enforce bilateral tax treaties to avoid placing an undue burden on its diaspora, thereby encouraging greater financial flow into the country. Moreover, economic downturns and inflation were the most strongly agreed-upon constraint, with 71.7% agreement and a mean of 3.87 (SD = 1.06). This demonstrated that macroeconomic instability in both Kenya and Australia directly affected the ability and willingness of diaspora members to remit funds. Governments need to stabilize domestic inflation and exchange rate fluctuations while providing financial instruments that hedge against risks to encourage sustained remittance behavior.

The study also sought to explore additional challenges faced by the Kenyan diaspora in Australia that may not have been explicitly addressed in the structured questionnaire. During the interviews, respondents were asked to freely describe any other barriers that have impacted their ability to contribute meaningfully to Kenya's economic growth or to engage consistently with public institutions. A range of issues emerged, shedding light on hidden or less-documented constraints affecting diaspora diplomacy and remittance behavior.

A number of interviewees highlighted the unreliable communication from Kenyan public institutions, including embassies and county governments. Many cited experiences where emails went unanswered or calls were never returned, even on urgent matters involving legal documentation or investment inquiries. Respondent 12 said that:

“Even simple things like asking about a tax compliance certificate can take months. The silence is discouraging.”

Another commonly mentioned challenge was the lack of real-time investment support, including insufficient follow-up by agencies like Kenya Investment Authority (KenInvest). Respondents stated that there is often enthusiasm in the initial outreach, but no sustained engagement. Others described the absence of post-investment monitoring or support mechanisms, which leaves diaspora investors feeling neglected or vulnerable to mismanagement. Some participants identified intermediary exploitation as a recurring problem. A number of respondents had lost money or property while working through brokers, relatives, or unregulated agents in Kenya. This eroded trust and created long-term reluctance to reinvest. Respondent 2 said that:

“I sent money to a cousin to build a house five years later, there's still no house and no refund. These experiences leave scars.”

Most interviewees also mentioned financial exclusion, particularly in regard to accessing diaspora-specific mortgages or credit lines from Kenyan financial institutions. They noted that many banks require physical presence or impose requirements that are misaligned with diaspora realities. Some called for a diaspora credit rating system to support remote borrowing and capital access. A few respondents raised the issue of political alienation, stating that the diaspora is often referenced rhetorically during election seasons but is excluded from actual political processes. They expressed frustration that voting rights, constitutional inclusion, and representation in national dialogues remain unfulfilled promises.

Mental and emotional health also surfaced as an under-explored challenge. Some interviewees described the psychological burden of being a provider across two worlds, with pressure from extended families in Kenya and the demands of life abroad. This dual expectation, they noted,

often leads to stress, guilt, and burnout, particularly when economic downturns hit their host country. In addition, there were concerns about currency volatility and hidden remittance costs. Respondents felt that poor transparency in exchange rates, as well as arbitrary transaction fees imposed by remittance platforms, erode the value of their transfers. This issue was compounded by Kenya's fluctuating macroeconomic environment.

A small group of participants emphasized the lack of cultural continuity for second-generation diaspora members. Many young adults born in Australia are disconnected from Kenya's language, history, and civic life. This generational drift, if unaddressed, could weaken future diaspora ties. Participant 7 said that:

"If we don't find a way to connect our children to Kenya now, they may not care enough to send anything back in 20 years."

These additional challenges points to the challenges of diaspora engagement. Beyond institutional inefficiencies, issues of trust, inclusion, psychological well-being, and inter-generational identity must also be addressed. A holistic approach that integrates emotional, financial, and civic considerations is essential for unlocking the full potential of the Kenyan diaspora in Australia.

CONCLUSION

Trust remains an integral determinant of diaspora participation. The persistence of double taxation, corruption, and inconsistent policy implementation undermines confidence in government initiatives, thereby discouraging long-term economic engagement. Without a deliberate effort to rebuild trust through transparency, efficiency, and participatory governance, diaspora diplomacy will remain limited in both reach and influence. Trust-building, therefore, must be positioned at the core of diaspora diplomacy frameworks.

Sustainable diaspora engagement necessitates an all-round, inter-generational, and emotionally resonant approach. Addressing psychosocial concerns, facilitating cultural continuity among second-generation migrants, and establishing emotional support systems are essential to building enduring transnational bonds. Policymakers must expand the scope of diaspora diplomacy beyond economic contributions to include social, cultural, and mental well-being. Only through such comprehensive strategies can Kenya effectively transform its diaspora from passive remittance contributors into empowered co-creators of national growth.

RECOMMENDATIONS

The study recommends the establishment of a Diaspora Investment Facilitation Office (DIFO) under the Kenya Investment Authority (KenInvest), with liaison officers in key global hubs including Australia. The DIFO should be mandated to provide pre-investment advisory, business registration support, dispute resolution, and post-investment monitoring specifically tailored to diaspora investors. This would bridge the current gap in institutional follow-up and provide confidence to investors who have historically been exploited or misled by informal intermediaries.

There is need for growth and rollout of a National Diaspora Communication Strategy. This strategy should include consistent digital campaigns, diaspora-focused newsletters, targeted webinars, and town hall meetings to sensitize diaspora populations on available government services, policy reforms, investment incentives, and emerging opportunities. This communication should be two-way and participatory, allowing diaspora voices to shape priorities, rather than relying on occasional one-directional government announcements.

The study recommends mainstreaming mental health and psychosocial support services into diaspora engagement programs. The Ministry of Foreign Affairs, in collaboration with the Ministry of Health, should create diaspora welfare units that offer virtual counseling, crisis response services, and culturally sensitive mental health awareness programs. These units should also design programs to bridge generational gaps, promote cultural re-connection for second-generation diaspora youth, and foster national identity. Holistic engagement that addresses both financial and emotional well-being is essential for building lasting, reciprocal relationships between Kenya and its global diaspora.

REFERENCES

1. Shrestha, Rajendra. "Economic diplomacy for growth partnership." *Journal of Foreign Affairs* 1, no. 1 (2021): 59-78.
2. Vanore, Michaella. "Diasporas as Actors of Economic Diplomacy." In *Routledge International Handbook of Diaspora Diplomacy*, pp. 156-168. Routledge, 2022
3. Muzapu, Rangarirai, and Taona Havadi. "Boosting diaspora remittances as a key source of investment capital: The case of Zimbabwe." *Management* 11, no. 2 (2021): 27-37.
4. Carment, David, Samuel MacIsaac, Milana Nikolko, and Dani Belo. "Diaspora networks, fragile states: Conflict and cooperation." In *Routledge International Handbook of Diaspora Diplomacy*, pp. 255-271. Routledge, 2022.
5. Kessy, Ambrose T., and Hildebrand E. Shayo. "Tanzania's diaspora engagement: The need for a paradigm shift in diaspora engagement and investment policies." *Research in Globalization* 5 (2022): 100095.
6. Carment, David, Milana Nikolko, and Sam MacIsaac. "Mobilizing diaspora during crisis: Ukrainian diaspora in Canada and the intergenerational sweet spot." *Diaspora Studies* 14, no. 1 (2021): 22-44.
7. Achitsa, Annabella Analo Mutsiambo. "Remittance-Growth Nexus: The Policy and Political Narratives of Migrant Remittances in Kenya." PhD diss., Central European University, 2020
8. Saungweme, Talknice, and Nicholas M. Odhiambo. "Inflation and economic growth in Kenya: An empirical examination." *Advances in Decision Sciences* 25, no. 3 (2021): 1-25.
9. Saungweme, Talknice, and Nicholas M. Odhiambo. "Inflation and economic growth in Kenya: An empirical examination." *Advances in Decision Sciences* 25, no. 3 (2021): 1-25.

10. Song, Shuang, Dawei Xu, Shanshan Hu, and Mengxi Shi. "Ecological network optimization in urban central district based on complex network theory: A case study with the urban central district of Harbin." *International Journal of Environmental Research and Public Health* 18, no. 4 (2021): 1427.
11. Zmysłony, Piotr, Grzegorz Leszczyński, Anna Waligóra, and Wiesław Alejziak. "The sharing economy and sustainability of urban destinations in the (over) tourism context: The social capital theory perspective." *Sustainability* 12, no. 6 (2020): 2310.
12. Pal, Shreya, Muhammed Ashiq Villanthenkodath, Gupteswar Patel, and Mantu Kumar Mahalik. "The impact of remittance flows on economic growth, unemployment and income inequality: An international evidence." *International Journal of Economic Policy Studies* 16, no. 1 (2022): 211-235.
13. Song, Yuegang, Sudharshan Reddy Paramati, Mallesh Ummalla, Abdurashed Zakari, and Harshavardhan Reddy Kummitha. "The effect of remittances and FDI flows on income distribution in developing economies." *Economic Analysis and Policy* 72 (2021): 255-267.
14. Dannels, S. A. (2018). Research design. In *The reviewer's guide to quantitative methods in the social sciences* (pp. 402-416). Routledge.
15. Myers, J. L., Well, A. D., & Lorch Jr, R. F. (2013). *Research design and statistical analysis*. Routledge.
16. Abbott, M. L., & McKinney, J. (2012). *Understanding and applying research design*. John Wiley & Sons.
17. Abbott, M. L., & McKinney, J. (2012). *Understanding and applying research design*. John Wiley & Sons.