SAFEGUARDING KENYA'S LOCAL ECONOMIES DURING ELECTORAL CYCLES

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EXECUTIVE SUMMARY

Electoral cycles in Kenya have always been accompanied by insecurity and localized violence. Since national attention is on political outcomes, the disrupted livelihoods, displacements, social fragmentation and erosion of trust in institutions experienced represent a serious under-addressed governance challenge. This paper presents findings from qualitative research in select Kenyan counties, following the 2022 general elections. Conducted across 10 counties, the study used in-depth interviews, key informant interviews and focus group discussions to assess the experience of governance and socio-economic impacts of elections in these regions.

Findings revealed that local investors ceased to invest in election hotspots, with informal markets experiencing shutdowns lasting up to 7 days and small-scale traders reporting income losses. Families were displaced and the GoK halted investment in key priority areas, further interrupting essential services. The analysis showed that economic uncertainty is a primary driver of social tension in these periods.

To reduce the destabilizing effects in future election periods and foster inclusive and resilient governance systems, this brief recommends 4 key actions;

1. Establishment of county-level economic resilience funds.
2. Formal institutionalization and resourcing of community peace structures in county governments.
3. Integrated planning for the development of emergency service continuity plans.
4. Establishment of county-level social cohesion and Institutional Trust Frameworks.

INTRODUCTION

Upon independence, most African countries made regular elections a cornerstone of democratic governance. The electoral cycles in many African democracies have been characterized by political instability. In Kenya, the period surrounding general elections is often marked by economic slowdowns, heightened political tension, and localized violence. The "wait-and-see" approach adopted by investors and consumers creates an economic slowdown that harms small-scale traders and businesses. A 2021 survey by Afrobarometer revealed that more that 50% of Kenyans agreed that elections did not bring lasting peace. This indicates a lack of trust in institutions and highlights the socioeconomic toll on communities, particularly in regions considered as election hot-spots.

Electoral violence is not only a political phenomenon, but is also a development challenge. The market disruptions, family displacements and breakdowns in service delivery create a precarious environment, making communities more vulnerable to violence, political manipulation and social fragmentation. While much attention focuses on electoral integrity, political accountability and national level peace-building, less policy focus is given to the socioeconomic consequences experienced in the periods leading to, during and after elections. The economic disruptions to informal traders, small business owners, and displaced families during election periods deserve adequate policy space.

This study sought to understand the day-to-day economic and social impacts of electoral periods on Kenyan communities. By engaging directly with small business owners, community members, community leaders, and local government officials, our research aimed to generate evidence to develop holistic and effective policies that protect citizens and their livelihoods throughout this democratic period.

KEY FINDINGS

Finding 1: Disruptions to informal economies during Election Periods

Across all study counties, informal markets experienced complete or partial shutdowns for 3 to 7 days during the election period. Our findings revealed revenue drops of 30-50% at local level, and income losses ranging from 20% to 40% for affected households. Families relying on daily wages experienced immediate food insecurity and increased debt. Traders noted that the climate of fear and uncertainty caused consumers to reduce spending, suppliers to demand cash on delivery, and local investors to halt plans. Youth groups described uncertainty around safety, especially in areas with histories of political tension.

This finding aligns with the 2021 Electoral Violence Risk Assessment by USAID Kenya, that flagged economic precarity among youth and traders as a driver and symptom of electoral tensions in electoral hotspots.

Finding 2: Displacement and Breakdown in Social Services

The violence and the threat of violence during electoral periods led to temporary displacement of families in electoral hotspots. Focus group discussions revealed that families temporarily fled to rural outskirts or counties they considered to be safe zones. In the process, access to essential services such as healthcare, education, and water was disrupted. The government also ceased to invest in essential areas, exacerbating the situation. The discussions revealed the disproportionate impact the displacements had, with women and children bearing the greatest burden, as schools closed, health facilities reduced operations, and community safety nets weakened.

This finding mirrors the 2023 Regional Analysis by UNDP which noted that in election-related unrest, women and children are always the first to face access barriers to essential social services.

Finding 3: Erosion of Social Cohesion and Trust in Institutions.

The study uncovered social mistrust along ethnic and political lines, which directly impacted economic relationships. Community members expressed frustration over unfulfilled promises related to employment, water access, road networks and health facilities. Respondents described a pattern of promises forgotten after election campaigns. They felt excluded from development conversations reinforcing the belief that governance structures only serve the interests of political elites.

Information gathered from FGDs and key informants revealed that this institutional mistrust trickled down, making community members wary of doing business with or hiring individuals from opposing political camps or from different ethnic communities.

The erosion of localized trust confirms the national trends identified in Afrobarometer surveys, which highlight a sharp decline in public trust in key institutions like the electoral commission and the judiciary during contentious electoral periods.

Finding 4: Implementation Gap in Local Peace-building efforts.

Interviews with local government officials and community leaders revealed a lack of proactive planning for economic disruptions during electoral periods. National-level security measures were in place, but county and local level governments had limited capacity to implement economic interventions or coordinate recovery programs. The research confirmed the gap between national rhetoric and grassroots reality.

Community-led peace initiatives existed in 2 out of 10 study counties, but they were under-resourced, lacked formal mandate and were largely excluded from official security and planning processes. A 2022 study by IFES Kenya identified a similar gap, showing that community-based peace infrastructure is underfunded, misunderstood, and poorly linked to formal county strategies.

POLICY IMPLICATIONS

The findings carry implications for how governance and development actors should approach electoral cycles;

1. Economic precarity is not only a consequence of electoral tension, but is also a catalyst. When livelihoods are threatened, communities become susceptible to mobilization and manipulation by political actors offering short-term financial incentives. The impacts of economic vulnerability disproportionately affect rural populations, informal workers, women and youth, who have the least access to social safety nets. Policymakers should treat economic stability as a core component of election security and conflict prevention.

2. The breakdown of trust in formal institutions has direct economic costs. When citizens do not trust the state to be a neutral arbiter, they retreat into ethnic or political enclaves, fragmenting local markets and stifling commerce. Rebuilding this trust is crucial for long-term economic development. Building public trust in institutions requires proof that

government structures can manage crises and protect livelihoods, especially in counties most affected by political violence.

3. Family displacement creates a shadow crisis that challenges access to essential services, compounding existing vulnerabilities. Cessation of government investment in social services during these periods deepens inequality, with women and children bearing the heaviest burden. Current disaster preparedness and contingency planning frameworks are designed for natural disasters, and are inadequate for managing politically-induced displacement. These recurring disruptions perpetuate poverty, weaken social cohesion, and undermine the long term development gains made.

4. The lack of conflict-sensitive planning at county level represents a missed opportunity to reduce vulnerability and building resilience. Effective conflict mitigation requires empowering local actors. Addressing these challenges requires proactive and integrated planning that links peace and security efforts with social protection and economic recovery mechanisms.

RECOMMENDATIONS

Based on our analysis, and drawing from best practices in other African contexts, we propose the following recommendations:

1. In partnerships with Kenya Private Sector Alliance (KEPSA) and financial institutions, county governments should design and implement targeted funds for SMEs in identified election hotspots. These funds could offer low-interest bridge loans or credit guarantees to help businesses manage cash flow during periods of political uncertainty. Additionally, temporary rapid response cash transfer programs should be activated in the periods right before and immediately after general elections to minimize economic shocks and reduce economic desperation that can fuel conflict. Priority should be given to women, youth, and small-scale traders who rely on daily income.

2. County Governments, in collaboration with the National Cohesion and Integration Commission (NCIC) should create formal frameworks and provide adequate resources to community peace committees as part of their electoral preparedness strategies. Instead of being treated as ad hoc emergency measures, budgetary allocations for peacebuilding should be integrated into county development plans. These committees should receive training in conflict mediation, early warning systems, and economic recovery planning. Devolving the peace-building budget would enable these groups to implement dialogue, conflict-resolution initiatives and ensure sustainable peace interventions.

3. Electoral violence is a service delivery and gendered vulnerability issue, that requires integrated planning between the IEBC, Ministry of Interior, Ministry of Health, county governments, and child protection systems. In coordination with partners, county governments should develop Emergency Service Continuity Plans to ensure continuity of essential services such as healthcare, education, and water supply during electoral cycles.

The plans should include mapping of at risk facilities, deployment of mobile health clinics, embedding GBV risk mitigation within election preparedness plans and mandating ring fencing of funding at county level. These plans should be piloted in counties identified as the highest-risk for electoral violence by the National Cohesion and Integration Commission (NCIC).

4. Rebuilding public trust requires proactive, grassroots engagement that positions the government as a convener of inclusive, responsive, and accountable governance, and not just as a service provider. To restore trust in formal institutions, county governments should expand the scope of development planning beyond service delivery and infrastructure to include social cohesion, inter-ethnic peacebuilding, and civic inclusion. One way to do this is by embedding community-level trust-building initiatives within the County Integrated Development Plans (CIDPs). County governments should facilitate inter-ethnic community dialogues, formalize the roles of community elders, religious leaders, and integrate civic education on rights, duties, and non-violent democracy, especially in politically fragmented areas. Recovery interventions should be designed with input from affected communities to ensure they are contextually relevant and address actual barriers to economic stability.

CONCLUSION

These findings demonstrate that electoral cycles in Kenya create recurring economic shocks that disrupt livelihoods, exacerbate inequality, and weaken trust in governance institutions. Strengthening Kenya's democratic governance requires moving beyond election-day processes and addressing underlying deficits. Electoral periods should not be treated solely as security events; they must be recognized as socioeconomic risks requiring coordinated, evidence-based responses.

Policymakers must prioritize the needs of the most vulnerable and ensure that governance systems are responsive to the lived realities of citizens. Understanding community-level experiences is therefore essential to designing governance reforms that are legitimate, inclusive, and grounded in citizens' realities.

Drawing from real-time fieldwork in multiple counties and supported by findings from institutions like USAID, UNDP, Afrobarometer and IFES, this policy brief makes the case for conflict-responsive, citizen-centered governance, that addresses the visible and invisible costs of political cycles. The lessons learned will inform the national framework for preparedness ahead of the 2027 general elections.

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