



DEPARTMENT OF DIPLOMACY AND INTERNATIONAL STUDIES

COLLEGE OF HUMANITIES AND SOCIAL SCIENCES

UNIVERSITY OF NAIROBI

**THE ROLE OF THE US-BUSINESS COMMUNITY IN FOSTERING US-AFRICA
RELATIONS: A CASE STUDY OF KENYA**

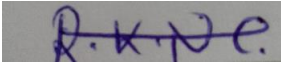
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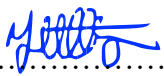
DECLARATION

I declare that this document remains my original work and no one has submitted it before for academic recognition in another learning institution or organization.

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DEDICATION

First, I dedicate the project to my Almighty God. Additionally, I dedicate the project to my supportive family; my dear husband Keith Kieti, my son Declan Asante, my father Dickson Kieti, my mother Josephine Mwikali, my brother Stephen Mutuku and My Sister-in-law Veronica Sintoyia. I would similarly like to bestow the thesis to my extended family and contacts who supported and fortified me during the process of completing my master's degree.

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ABSTRACT

The research examines the role of the United States business community in fostering US-Africa relations with an explicit concentration on Kenya. The study focuses on exploring the different techniques in which U.S. businesses have contributed to the improvement of economic and diplomatic relations between the U.S. and Kenya. The research adopted a qualitative case study methodology and used interview techniques and document analysis to gather the study data. The study aims to understand how investments, job creation, technology, and skill development play a role in fostering the relationship between the two countries. The study focuses on designing key recommendations for better ways to strengthen U.S.-Africa relations. The research findings reveal that the U.S. business community has played a significant role in fostering U.S.-Africa relations through investments, job creation, and technology transfer and skills development. However, challenges such as corruption, political instability, and inadequate infrastructure continue to hinder further progress. The paper concludes by recommending that the U.S. business community should continue to invest in Kenya while advocating for policies that promote good governance and sustainable economic growth.

Keywords; *Diplomatic Relations, Sustainable Economic Growth, Good Governance, Public Diplomacy*

LIST OF ABBREVIATIONS

AGCO	:	Agricultural Machinery Company
AGOA	:	African Growth and Opportunity Act
AU	:	African Union
CMA	:	Capital Markets Authority
CPI	:	Transparency International's Corruption Perceptions Index
CSR	:	Corporate Social Responsibility
EAC	:	East Africa Community
FDI	:	Foreign Direct Investment
FOCAC	:	Forum on China–Africa Cooperation
GMO's	:	Genetically Modified Organisms
IBM	:	The International Business Machines Corporation
ICT	:	Information and Communication Technology
KEMRI	:	Kenya Medical Research Institute
MCNS	:	Multinational Corporations
PPPs	:	Public-Private Partnerships
RBV	:	Resource-based Review
SDG'S	:	Sustainable Development Goals
TNC	:	Transnational Corporation
USTR	:	United States Trade Representative
UNCTAD	:	United Nations Conference on Trade and Development
USA	:	United States of America
UN	:	United Nations
USADF	:	US African Development Foundation

CHAPTER ONE

INTRODUCTION AND BACKGROUND TO THE STUDY

1.1. Introduction

This chapter highlights the context of the study, problem statement, main and specific research objectives, research questions, and study justification. It also covers theoretical framework, literature review, literature gaps, and methodology. The chapter concludes with a summary after detailing the study's scope and limitations.

1.2. Background to the Study

The relationship between the United States and the Republic of Kenya has been in existence since time immemorial. The bilateral relationship between the two countries can be traced way back to 1964 when Kenya gained independence. The relationship became cordial in 2002 when Kenya achieved democratic status and the protection of Human Rights Act¹. Additionally, the relationship between the United States can be due to the ideology that Kenya is an economic, trade, and transportation hub for the East African region. Therefore, the USA focuses on strengthening the bilateral relationship through investments and the establishment of corresponding annual dialogues. During President Trump's tenure, the establishment of corresponding annual dialogues targeted five pillars of engagement namely; democracy, governance, and civilian security; economic prosperity and defense cooperation; multilateral and regional issues; trade and investment; and public health cooperation.

¹ Harrison, G. (2017). From Windhoek to Nairobi: The Evolving Role of the United States in Africa's Media Environment. *The Journal of Pan African Studies*, 10(2), 162-182.

The U.S. Business Community, led by the U.S. Chamber of Commerce, ensures that government, lobby groups, and individuals achieve their economic target by checking on surrounding factors that might result in the positive or negative impacts of the decisions made at local, state, and international levels. The U.S. government, lobby groups, and individuals strive to strengthen US-Africa relations in different dimensions. The dimensions involve trade activities, food security, and security matters.

Internationally, the U.S. business community has tried to foster both bilateral and multilateral relations with other states. For instance, over the past decades, the U.S. business community managed to catapult South Africa's economy to greater heights. Foreign investment is a key factor that hugely impacts and contributes to the overall economic growth of a country. Therefore, by attracting foreign investment from the U.S. business community, South Africa has managed and is known to be among the top economies in Africa. The U.S. business community has invested in different economic sectors like technology, skills and innovation, corporate social responsibility (CSR), trade and investment, and training in South Africa. This is linked to the great economic impact enjoyed by the South African government and people, which has emerged due to the entrance of business organizations like Ford Motor Company, which has been in South Africa since 1923 and has invested \$2 billion up to 2022². Another example of a beneficial relationship is the investment by ExxonMobil, which has a significant presence in South Africa's energy sector, with investments in exploration, production, and refining. The company owns a 25% stake in a large offshore gas field and investments in renewable energy projects in the country³.

² Morgan, Stephen, Jarrad Farris, and Michael E. Johnson. "Foreign Direct Investment in Africa: Recent Trends Leading up to the African Continental Free Trade Area (AfCFTA)." *Amber Waves: The Economics of Food, Farming, Natural Resources, and Rural America* 2022 (2022).

³ Ibid.

As a continent, Africa provides the West or developed nations with vast opportunities. African economies and markets are considered to be virgin since they provide untapped potential for businesses to adapt and implement new business ideas, source raw materials, and explore new/emerging markets. Therefore, The Biden administration has developed a new strategy that focuses on understanding the U.S.-African relationship, which is considered to be motivated by the current global shifts. The changing global grounds led to the organization of the African Leaders Summit in Washington DC by President Joe Biden. The primary aim of the summit was to address some of the aspects that could strengthen the African and USA international interaction. Moreover, during the US-Africa Summit in Washington DC, President William Samoei Ruto, Kenyan president, acknowledged and presented the urge for the U.S. business community to see the potential and invest in Africa, which led to the signing of the investment deal by Moderna Pharmaceutical that involves the construction of a \$500 million mRNA vaccine facility in Nairobi. Regionally, the U.S. business community has made some investments in Rwanda, primarily in the areas of energy, technology, and finance. Some notable investments include One-Acre Fund, a non-profit organization that provides agricultural training and financing to small-scale farmers. One-Acre Fund receives funding from several US-based investors, including the Bill & Melinda Gates Foundation and the Skoll Foundation. The One Acre Fund operations are mainly helping farmers to increase their productivity and income, hence contributing to economic development. Another significant example of the U.S. business community contribution in Rwanda involves Contour Global, a US-based power generation company that invested \$200 million to build a 100 MW thermal power plant in Rwanda⁴. The Kivu Watt project, located on the shores of Lake Kivu, provides electricity to more than 500,000 households in the country. Additionally, Rwanda

⁴ Ibid.

benefits from the U.S. business community in terms of nurturing talent through a program known as Andela, a US-based technology company that provides software development training and talent outsourcing. Andela opened a branch in Rwanda in 2019. The company has partnered with the Rwandan government to provide training and employment opportunities for local software developers.

In Kenya, notable bilateral relations can be identified through investment in both countries. The U.S. business community has had a long-standing relationship with Kenya. In which several American companies have invested in the various sectors of the country's economy. It is important to note that the U.S. is one of Kenya's largest trading partners, and American companies have played a significant role in the country's economic development. Some of the investments by the U.S. business community in Kenya include General Electric, Google, Microsoft, Citibank, Coca-Cola, IBM (The International Business Machines Corporation), and AGCO (Agricultural Machinery Company)⁵. American companies have made significant investments in Kenya and have contributed to the country's economic development. The U.S. has also supported Kenya through various aid programs, including support for healthcare, education, and economic development. These investments and bilateral relations have strengthened the relationship between the two countries and have the potential to enhance trade and economic cooperation.

Since independence, Kenya has preferred the USA as a trading partner, and ever since, the bilateral relations have contributed strategically to outstanding economic growth. In 2021, Kenya's exports to the United States of America is estimated to be \$544 million per annum⁶. Major exports to the

⁵ Owusu, Francis, Ricardo Reboredo, and Pádraig Carmody.

⁶ Morgan, Stephen, Jarrad Farris, and Michael E. Johnson. "Foreign Direct Investment in Africa: Recent Trends Leading up to the African Continental Free Trade Area (AfCFTA)." *Amber Waves: The Economics of Food, Farming, Natural Resources, and Rural America 2022* (2022).

U.S from Kenya include pyrethrum, live trees, articles of apparel, fruits, coffee, tea, mineral fuels, oils, and distillation products, human hair, artificial flowers, bird skin and feathers, precious stones, animal and plant oil and fats, and other raw materials. On the side, the USA exports their products to Kenya in terms of finished products such as pharmaceutical products, aircraft, optical and medical operators, electrical, beverages, vehicles, technology, food, and milling products, amongst others. Security and trade are factors that go hand in hand. Therefore, the U.S. business community fronts in enhancing security and trade through developing a solid understanding of the previous relationships with Kenya. During Trump's tenure, despite all other things that were happening globally, Kenya maintained its relationship with the USA. The relationship during Trump's period was anchored around two fundamental aspects: trade and security. The USA and Kenya experience common security issues, thus enabling the enhancement of the bilateral relationship between the two states.

On matters of education, knowledge, and capacity building, U.S. universities such as the University of Denver and Washington State University collaboratively set education standards with the University of Nairobi. High-end learning institutions have an impact on communities, especially when education and research are involved. The United States of America, under Joe Biden's tenure, understands the role of multilateralism and deepening diplomatic ties. On the other hand, Kenya is known as the world's beckon of democracy and champion of multilateralism, something that makes the two states in the discussion of similar character.

Additionally, individuals such as Bill Gates visited Kenya in November 2022, specifically in areas such as the University of Nairobi, Makueni County, and Kenya Medical Research Institute (KEMRI). Also, Bill Gates addressed issues of food insecurity and the importance of introducing

GMOs into the country. The Horn of Africa faces drought, diseases, famine, and food insecurity⁷, and therefore, the introduction of GMOs in Kenya would bring forth a great impact, specifically on the people dying of hunger. Other U.S. business community individuals who have ventured into Africa include the Bill and Melinda Gates Foundation and the current U.S. ambassador to Kenya, Meg Whitman. In general, the Kenya-US relationship is critical in enhancing the trade relationship between the two countries through its business community.

1.2 Problem Statement

Despite the existence of bilateral trade relations between Kenya and the United States since independence, there still exist challenges that hinder effective engagements between the two countries. More so, the United States of America is losing ground as Kenya's preferred trade partner due to competition from other countries such as China. Additionally, the United States of America's failure to recognize Kenya as an equal partner due to unaddressed issues of insecurity, corruption, and underdevelopment is making the situation more complicated. This study aims to create an understanding of the challenges faced and strategies used by the United States through the U.S. business community in establishing their presence in the Kenyan market.

1.3. Research Questions

The study aims to answer the following questions;

- i. What is the role of the U.S. business community in fostering U.S.-Africa relations in Kenya?

⁷ Runde, Daniel F., and Sundar R. Ramanujam. "Beyond 2025." (2022).

- ii. What are the challenges faced by the U.S. business community while fostering US-Africa relations in Kenya?
- iii. What are the new strategies of the U.S. business community in fostering US-Africa relations in Kenya?

1.4. Objectives of the Study

The main objective of the research is to establish the role of the US-Business Community in fostering U.S.-Africa relations in Africa.

1.4.1 Specific Objectives

The following research objectives guided the study:

1. To examine the role of the U.S. business community in fostering US-Africa relations
2. To investigate the challenges facing the U.S. business community in fostering US-Africa relations
3. To analyze the new strategies of the U.S. business community in fostering US-Africa relations
- 4.

1.5. Literature Review

The study will review the literature as per the stated objectives. The subsections in the literature review include empirical and theoretical literature reviews. The literature review gives an analysis of ideas and arguments advocated by different scholars.

1.5.1 Theoretical Literature Review

Mautner-Markhof indicates that governments aim for economic growth and balance-of-payments stability, for instance, and both objectives are achieved by luring and directing the actions of foreign TNCs⁸. TNCs look for low-cost raw material suppliers, production facilities, and markets to sell their products; they can achieve these goals by working successfully with host country governments, who, by virtue of their sovereignty, control access to each of those sources and factors. Since it mostly depends on the unique traits of each nation and business, it is impossible to pinpoint the complete spectrum of bargaining advantages that corporations and governments possess.

Mautner-Markhof states that the starting positions are basically determined by each party's respective resources available during the negotiation process⁹. The two common targets of foreign TNCs, the host nation market and host country factors of production, including raw materials, cheap labor, technology, and capital, are what give governments their strength. These two benefits are essential because the government of the host country will typically only provide a significant chance to foreign TNCs with a desirable market or a source of supply.

Similarly, international TNCs frequently have multiple qualities that appeal to governments and which governments could not have without paying a significantly higher price through another vehicle. According to Mautner-Markhof, these qualities include helping to increase the revenue and job opportunities in the host country through manufacturing, extractive endeavors, or services that make use of the company's exclusive technology and managerial know-how. Additionally, Mautner-Markhof emphasizes enhancing the host nation's balance of payments by permitting the

⁸ Mautner-Markhof, Frances. *Processes of international negotiations*. Routledge, 2019.

⁹ Ibid

utilization of international markets and avenues of supply that the company has through its affiliates or its data channels or helping to realize the government's non-eco goals¹⁰. The significance of each of those elements in a negotiation situation greatly affects the form of the anticipated result of talks between a company and a government.

Vernon, on the other hand, gave a perspective on the product cycle, which he first put forth in 1966, aiming to explain the trends in international commerce and Foreign Direct Investment (FDI) in manufactured goods that emerged among non-communist nations in the years following World War II. Vernon (1966) indicates that by focusing on a firm's business and investment decisions based on both cost and revenue conditions, the international product cycle disproves the conventional wisdom that factors and products are immobile across borders¹¹. The theory uses the efficiency of Transnational Corporation (TNC) as the analytical unit. It examines the significance of developing new products and selling them well in terms of market or commodity diversification. This results in a dynamic sequence of local production, export, foreign direct investment, and, ultimately, production overseas.

In addition, he opines that since the theory primarily refers to areas (or markets) at various stages of development, its explanatory power can also be used to the flow of industry inside the United States from North to South¹². Although it is a theory for moving manufacturing to other locations, it does not consider how governments can affect cross-border locations. As a result, it is a theory of location without regard to national boundaries. Although outside the context of the global

¹⁰ Ibid

¹¹ Vernon, Raymond. "International trade and international investment in the product cycle." *Quarterly journal of economics* 80, no. 2 (1966): 190-207.

¹² Ibid

product cycle model, He and a number of his followers have focused on empirical and policy elements of government or incorporated linkages.

1.5.2. Empirical Literature Review

1.5.2.1 The Role of US-business Community in Fostering US-Africa Relations

Runde and Sundar opine that, with all African countries being categorized as developing states, the U.S. business community still finds it necessary to invest in Africa¹³. Their study fails to consider that for African states to experience economic growth and development, there is a need to include foreign investment while contacting bilateral relations. Foreign investment benefits both the United States of America and Africa. The role of the U.S. business community in fostering U.S.-Africa relations is to bolster economic growth and development in Africa¹⁴. Also, bilateral relations enable the U.S. to cushion its economic capacity and power globally.

Kimani clarifies that the U.S. business community has a role of advocacy, whereby the U.S. business community advocates for change in Africa. The USA advocates for policies in terms of trade agreements, regulatory frameworks, and investment policies; the policies enable African states to grow economically¹⁵. Also, in matters of partnership and collaboration, the U.S. business community plays a role in knowledge and skills transfer to African States.

¹³ Runde, Daniel F., and Sundar R. Ramanujam. "Beyond 2025." (2022).

¹⁴ Kimani, M. N. (2019). The Role of the United States in Kenya's Development Agenda: A Critical Review. *Journal of African Foreign Affairs*, 6(2), 57-70.

¹⁵ Owusu, Francis, Ricardo Reboledo and Padraig Carmody. "Trumping Development: Selective Delinking and Coercive Government in US-Africa Relations." *Africa Today* 66, no.1 (2019): 326. muse.jhu.edu/article/741336.

Change is inevitable, and Africa embraces change, a positive attitude toward economic development that has attracted international investors. Tracing from where the continent has evolved, the continent has achieved great things through relations with developed States¹⁶. The U.S. business community plays an important role in Africa's economic, social, and political achievements.

1.5.2.2 Challenges Faced by the US-business Community in Fostering US-Africa Relations

Odhiambo confirms that competition from Chinese companies acts as one of the major challenges facing the U.S. business community in fostering U.S.-Africa relations. In recent years, Chinese companies have made significant investments in Africa, which can make it challenging for U.S. companies to compete in these markets¹⁷. China significantly increased its investments in Kenya in a number of areas. Major Chinese investments in Kenya include the following: infrastructure, energy, real estate, telecommunications, agriculture and manufacturing¹⁸.

According to Kimani, internal factors such as corrupt government, insecurity in Kenya and East Africa region, lack of technology, and poverty rank highly. The challenges push away potential investors since they want to avoid risk. Kimani's study fails to mention that for the US-business community to invest in Kenya, the government should assure the stakeholders and investors of security, productive technology, and a corrupt-free environment for their businesses to thrive as far as the challenges pose a threat; there strengths that come in accompaniment. Overall, there are many chances to strengthen US-Africa relations even while there are undoubtedly challenges. The

¹⁶ Ibid.

¹⁷ Odhiambo, Nicholas M. "Foreign direct investment and economic growth in Kenya: An empirical investigation." *International Journal of Public Administration* 45, no. 8 (2022):620-631.

¹⁸ Runde, Daniel F., and Sundar R. Ramanujam. "Beyond 2025." (2022).

correct tactics and strategies will enable U.S. companies to get through these obstacles and establish profitable operations and partnerships in Africa.

1.5.2.3 The New Strategies of the US-business Community in Fostering US-Africa

Relations

Kimani clarifies that the U.S. business community has recently embraced a number of novel strategies to develop ties with Africa. Increased investment, technological innovation, corporate social responsibility, strategic partnerships, lobbying, and policy engagement are a few of these strategies¹⁸. The underdevelopment of Africa is a result of its unrealized potential in many areas. The U.S. business community should also involve the community they are investing in through cultural diplomacy. Learning about people's culture plays an important role in analyzing a community's preferences when it comes to development¹⁹.

Cooke and Richard state that the U.S. approach toward Sub-Saharan Africa creates realistic mention of Africa's rise as a geopolitical and demographic powerhouse that is essential to any advancement on our planet's most pressing problems. In regards to strengthening bilateral relations, the United States of America should reorganize its associations with African colleagues, listen to different local opinions, and broaden the arrangement circle. Additionally, the study done by Cooke and Richard lacks identification of how the United States of America should elevate African leadership to advance our shared agenda" because some of its methods to the continent

¹⁹ Cooke, Jeniffer G., and Richard Downie, "Launching a New Chapter in US-Africa Relations." *Center for Strategic and International Studies Report, Washington, February* (2014).

have become insufficient. The positive shift in the document's tone and strategy creates a fresh sense of opportunity for an unheard-of relationship between equals.

Ashraf et al. indicate that, from the beginning of 2023 onwards, the US-business community involved in Africa business and development should work quickly and diligently to seize chances of bilateral relations advancement. The challenges faced by the U.S. business community in fostering US-Africa relations should involve understanding Africa's capacity in policy-making, development of Africa's bilateral responses, and open dialogue for private sectors, thus experiencing different and qualitative results of their relations²⁰.

1.5.3 Gaps in the Literature

The study has tried to highlight theories and studies that explain the role of the U.S. business community. The study focused on the idea of international business relations, which emphasizes the importance of international investment, corporate social responsibility, and self-interest in influencing state action in the international sphere. There is little literature that expressly discusses the U.S. business community because it is a new field of research. The authors of the analyzed literature recognize the importance of the U.S. business community in developing countries but need to consider how it will adapt to and stay up with Africa as a continent. In addition, most scholars still need to identify Africa's potential towards the United States of America.

²⁰ Ashraf, Zubaida, Gul Afshan, and Umar Farooq Sahibzada. "Unpacking strategic corporate social responsibility in the time of crisis: A critical review." *Journal of Global Responsibility* 13, no. 2 (2022): 127-156.

1.6. Justification of the Study

1.6.1 Academic Justification

The existence of a knowledge gap in the role of the U.S. business community in fostering U.S.-Africa relations creates the importance of this study to the academic field. Though scholars have identified and tackled US-Africa relations before, much has yet to be achieved in terms of inclusive agenda-setting and policy-making. Even though scholars have addressed bilateral and multilateral relations between the USA and Africa, they have failed to address how the U.S. business community is fostering US-Africa relations. Also, the academic field still needs to identify strengths associated with the U.S. government, lobby groups, and individuals when it comes to the creation and implementation of US-Africa relations. This study will, therefore, add an understanding to other scholars of the importance of the U.S. business community in fostering U.S.-Africa relations.

1.6.2. Policy Justification

This study demonstrates scientific evidence of how the U.S. business community in fostering US-Africa relations is important to both parties in terms of economic and diplomatic relations, corporate and social responsibility, and knowledge and understanding by policymakers, investors, and stakeholders. The study will provide valuable insights to policymakers, investors, and stakeholders in the practice of economic development and diplomatic engagement. The study will be useful in the decision-making process, especially in ties such as economic development and the creation of a sustainable international environment whereby the USA and African nations benefit in equal measure.

1.7. Hypotheses

1. There is a relationship between the role of the US-business community and US-Africa relations
2. There is a relationship among challenges faced by U.S. business community in fostering US-Africa relations
3. There was no relationship between new strategies of the US-business community and fostering US-Africa relations

1.8. Theoretical Framework

1.8.1 An Explicit Bargaining Model Theory

The explicit bargaining model theory, sometimes referred to as the bargaining theory or game theory, is concerned with how several agents who have various interests and objectives interact and negotiate strategically²¹. Kenya and the U.S. business community are the key parties involved in this negotiation, specifically in strengthening their bilateral relations. For understanding how the U.S. corporate community promotes US-Africa ties, particularly in the context of Kenya, an explicit bargaining model theory can be a helpful theoretical framework. This theoretical framework offers a methodical way to examine and explain the discussions and interactions between the U.S. corporate community and diverse Kenyan stakeholders.

An explicit Bargaining Model Theory is useful in the study of the business community in fostering U.S.-Africa relations in various ways, such as the calculation of the U.S. business community's proportional bargaining power in comparison to other Kenyan interests. Elements like economic power, technological advances, resource accessibility, and political sway influence the dynamics

²¹ Mautner-Markhof, Frances. *Processes of international negotiations*. Routledge, 2019.

of power²². Power disparity affects the actors' negotiating tactics and outcomes. Additionally, an explicit bargaining model theory is useful in this study in terms of investigating the negotiation tactics employed by the U.S. corporate community and Kenya. This can involve strategies like joining forces, using political contacts, performing feasibility studies, providing incentives, or lobbying²³. Objectives, negotiating position, and the particular environment of US-African relations determine each actor's negotiating tactics.

1.8.2 The International Product Cycle Theory

The dynamics of the product life cycle and its impact on global trade and investment patterns are taken into consideration by the International Product Cycle Theory to give a theoretical framework for analyzing the role of the U.S. business community in strengthening U.S.-Africa ties. This approach aids in illuminating how the stage of the product life cycle and the associated economic activities may affect the U.S. business community's interaction with Africa.

By considering the dynamics of the product life cycle, the international product cycle theory enables scholars to comprehend the role of the U.S. business community in promoting US-Africa ties, specifically in the context of Kenya. It helps to illustrate how factors like innovation, market expansion, competition, and shifting market dynamics affect how the U.S. corporate community engages with Africa through time²⁴. Policymakers and stakeholders may create strategies to

²² Ibid

²³ Ibid

²⁴ Vernon, Raymond. "International trade and international investment in the product cycle." *Quarterly journal of economics* 80, no. 2 (1966): 190-207.

improve collaboration, enable technology transfer, and advance sustainable economic growth between the U.S. and Africa by understanding these processes.

1.9. Methodology

This section highlights the methodology employed in this research. The researcher used both primary and secondary data in this study in order to complement one another and subsequently enhance the findings. The mixed technique provides a fuller picture by recognizing patterns and generalizations as well as an in-depth understanding of participants' opinions. Moreover, the methodology underlines the research design, methods of data collection, and analysis.

1.9.1 Research Design

According to Creswell and Plano Clark, research design refers to the methods used in research projects for gathering, analyzing, interpreting, and reporting data.

According to Grey, the study design defines the process for gathering the necessary data, the techniques used to analyze data, and then helps to answer the research questions. The researcher used a qualitative research design. The qualitative approach aids in illuminating target audience's behavior and perception. In this regard, the study examines the interactions between the USA and Kenya while considering the advantages and results of those interactions.

1.9.2 Research Site

The study focuses on participants from embassies stationed in Nairobi, Kenya, including ambassadors, officials, and American citizens. Additionally, the researcher gathered information

from the Ministry of Trade, Kenyan citizens, and the Ministry of Foreign Affairs on the Kenyan side. For secondary data, the researcher incorporated online resources and written information.

1.9.3 Study Target Population

The complete group of people or items to which the researcher seeks to apply the study's findings is known as the target population. According to Dr. Onen, such a population should satisfy a number of factors that the researcher finds interesting²⁵. The target population for the study remained as three US businesses operating in Kenya, 6 key stakeholders in the US business community, 10 representatives from Kenyan government agencies, 7 representatives from civil society organizations, and 14 citizens, making 40 correspondences.

Table 1.1: Study Target Population

Businesses Operating in Kenya	3
Key Stakeholders in US-business community	6
Kenya government agencies	10
Civil society organizations	7
Citizens	14
Total	40

1.9.4 Sampling Size

The researcher used a purposive sampling method for interaction with the U.S. business community in Kenya. This sampling method is mainly appropriate to apply, as it chooses the samples that take into contemplation the required attributes. The researcher chose this approach due to the ease of access to the interviewees and their willingness to participate in the research

²⁵ Ibid.

process. The approach has been used and applied to the idea that the U.S. business community is less accessible due to its commitment to the country of study.

In addition, in regards to this study, the accessible population of the U.S. business community is a representation considering the large enough U.S. business community population that required a quantitative inquiry. The U.S. business community population is approximately 45 businesses in Kenya. The researcher calculated Yamane's formula as follows;

$$n = \frac{N}{(1+N_e^2)}$$

Whereby, n= corrected sample size, N = businesses size, and e = Margin of error (MoE), e = 0.05 based on the research condition.

$$\text{Therefore; } n = \frac{45}{(1+45(.05^2))}$$

$$n = \frac{45}{1.1125}$$

$$n = 40.4494 = 40.$$

1.9.5 Sampling Technique

The study used both random and purposeful sampling. Random sampling is the process of randomly choosing people from a population. For instance, by unsystematically selecting U.S. businesses operating in Kenya and conducting surveys or interviews with their representatives to gather their perspectives on the role of U.S. businesses in fostering U.S.-Africa relations, while purposive sampling involves selecting participants who meet specific criteria that are relevant to research questions.

1.9.6 Data Analysis and Presentation

Depending on the study's research questions, objectives, and methods, the data analysis for a study on the contribution of the U.S. business community to advancing US-Africa ties in Kenya was determined. The study used both qualitative and quantitative data to examine how the U.S. business community has contributed to the development of U.S.-Africa ties. This is because qualitative analysis enables the collection of more complex information and exploration of people's thoughts and behavior at the same time. In contrast, quantitative data analysis will employ statistical techniques to analyze numerical data to provide respected discernments into the role of the US-business community in fostering US-Africa relations in Kenya²⁶. The researcher used MAXQDA data analysis tool.

1.9.7 Research Ethical Considerations

All volunteers gave their informed consent to the researcher before enrollment in the study. The researcher informed the participants of the study's objectives, the procedures for gathering and using their data, and their ability to discontinue participation at any time. By employing pseudonyms, storing data securely, and restricting data sharing to approved parties, the researcher was able to maintain the responder's confidentiality and privacy. In this sense, the researcher treated any information received throughout this study in confidentiality and only for academic purposes. In this survey, the researcher should refrain from mentioning either respondents or their names.

²⁶ Ibid.

1.9.8 Scope and Limitation

This researcher carried out the study in Nairobi city, known as the city under the sun, specifically in places dealing with international businesses, trade, and international affairs. The researcher's main areas of focus remained the Embassy of the United States of America, the Ministry of Foreign Affairs, the Ministry of Tourism, and the Ministry of Trade. The study engaged employees of different departments in the institutions above. Some of the limitations include access to international business owners strategically located in Kenya and access to libraries and websites for the institutions involved in this study.

1.10. Chapter Outline

Chapter One: Introduction. This chapter introduces the study by contextualizing the research problem. The chapter also highlights the background of the study, the study objectives, and the research questions. The chapter finally reviews the relevant literature and justifies the study and methodology used in the study.

Chapter Two: The Role of U.S. Business Community in Fostering US-Africa Relations. The U.S. business community has played a significant role in fostering U.S.-Africa relations, particularly in the areas of trade, investment, and economic development. American companies have invested heavily in various African countries, creating job opportunities, transferring technology, and contributing to the economic growth of the continent.

Chapter Three: The Challenges Faced by the U.S. Business Community in Fostering U.S.-Africa Relations. Though the U.S. business community has played a significant role in fostering U.S.-Africa relations over the past years, there are challenges that hinder the strengthening of the relations, particularly in the areas of trade, investment, and economic development. American

companies have invested heavily in various African countries, creating job opportunities, transferring technology, and contributing to the economic growth of the continent.

Chapter Four: The New Strategies of the U.S. Business Community in Fostering U.S.-Africa Relations. New strategies of fostering US-Africa relations bring about a positive impact and significant change in Africa. This chapter outlines the new strategies created by American companies that have categorically played a pivotal role in driving economic growth and development in African countries, contributing to the creation of job opportunities, the transfer of technology, and the promotion of sustainable development.

Chapter Five: Summary, conclusion, and recommendation. This chapter gives the summary and conclusions of each research question and the objectives of the study.

CHAPTER TWO

THE ROLE OF US-BUSINESS COMMUNITY IN FOSTERING US-AFRICA RELATIONS

2.0. Introduction

This chapter outlines ideas in alignment with the first research question, therefore focusing on the first research objective. In this regard, the chapter gives a detailed description of the role of the US-business community in fostering US-Africa relations, specifically in Kenya. Finally, part of the research carried out in the field in reference to demographic characteristics incorporates deeper details in this chapter.

2.1. Nexus between US-Business Community and US-Africa Relations

Political, economic, and geopolitical considerations influence the complex and multifaceted link between the US corporate community and US-Africa. Africa is a big, diverse market with plenty of natural resources and a growing population in terms of economic interests. Since Kenya acquired independence in 1964, the nation has become a spot for international investors²⁷. Therefore, the US business community sees opportunities for investment and trade with African countries, which might lead to significant profits and economic growth. The economic potential of Africa has attracted US businesses from a variety of sectors, including energy, infrastructure, technology, telecommunications, agriculture, and banking. It is important to keep in mind that US-Africa relations are dynamic and ever evolving. The corporate communities' and the US government's priorities may alter in response to global priorities, political upheavals, and economic

²⁷ Stahl, Rune Møller. "Economic liberalism and the state: dismantling the myth of naïve laissez- faire." *New political economy* 24, no. 4 (2019): 473-486. <https://doi.org/10.1080/13563467.2018.1458086>

trends. Understanding this relationship necessitates considering the perspectives of many players, including governments, corporations, civil society, and the African states themselves. The US-business community understands the impact accompanied by investment in cities. Considerations to invest in well-populated areas such as Nairobi grants the community to maximize in creating reputable relations.

2.2. Study Demographic Characteristics

Hauser and Duncan, as the population's size, territorial distribution, changes within, and the elements that contribute to those changes define demography. The researcher required this data because it was crucial for identifying the elements of populations in terms of gender, age, and the everyday activities they engaged in. The researcher collected the data in order to understand the role of the U.S. business community in fostering U.S.-Africa relations, specifically in Kenya. The research focuses on understanding how different investments in Kenya have played a role in fostering US-Africa relations through investments and trade policies, Public-Private Partnerships (PPPs), Corporate Social Responsibility (CRS), natural resources, foreign development and humanitarian assistance, and geopolitical influence.

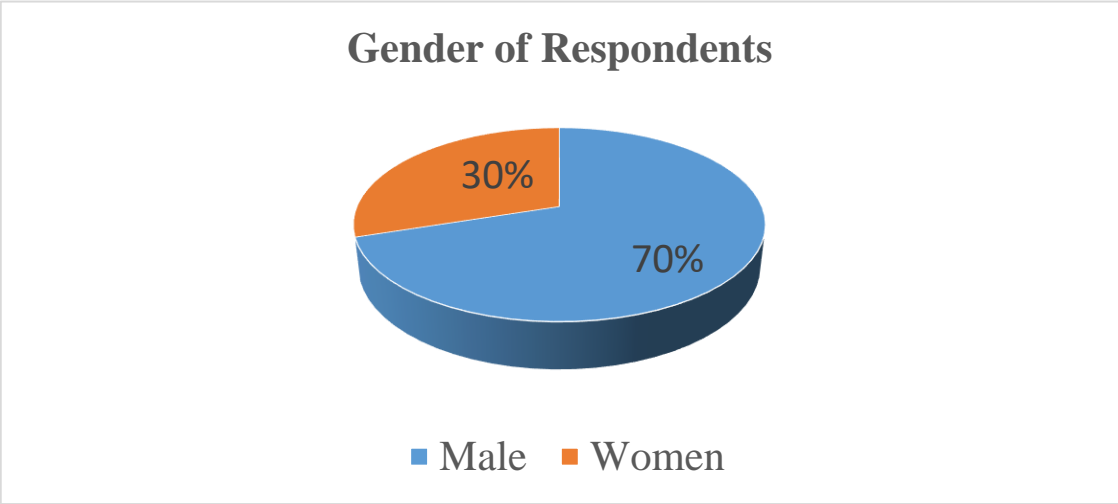


Figure 2.1: Gender
Source: Field data 2023

Both males and females participated in filling in the questionnaire during the data collection process. The scholar was able to understand how both genders appreciate efforts made by the U.S. business community in fostering U.S.-Africa relations. Throughout the entire data collection process, the researcher understood that most men agreed with the efforts made by the U.S. business community in fostering U.S.-Africa relations as compared to women. Women tend to have little knowledge when it comes to foreign investment and foreign policy. On the other hand, men access necessary information concerning international trade and tend to push for agendas that result in foreign investment and international trade. From the findings, men also understand that as economic conditions, investment trends, and business prospects change over time, so do the number of US-based business communities in Kenya.

In addition, men indicated their concerns about how regulatory institutions such as the Capital Markets Authority (CMA) and National Environmental Management Authority (NEMA), amongst others, regulate activities associated with foreign investment in Kenya. Foreign investors face

different challenges as per the set rules and laws set by the individual regulatory authorities in Kenya. The existence of numerous regulations hinders foreign investors from achieving their agenda. The difficulties that international investors can encounter negotiating the regulatory environment in the nation are highlighted by this research.

After data analysis, the researcher connected how different groups in Kenya appreciate efforts made by the U.S. business community in fostering U.S.-Africa relations. The U.S. corporate community trades with Kenya as a nation and fosters their bilateral relationship on an economic basis. The Office of the United States Trade Representative (USTR) estimates that the overall value of U.S. merchandise trade with Kenya in 2022 was \$ 1.93 billion in terms of exports plus imports. In addition, the USA creates employment possibilities for companies doing business in Kenya, which helps to fight poverty and promote socioeconomic growth. U.S. corporations in Africa have employed over 18,000 Kenyans, according to the Corporate Council on Africa. The U.S. corporate community has served as a significant source of finance in Kenya, assisting with infrastructural and economic growth initiatives. The United Nations Conference on Trade and Development (UNCTAD) expects the United States foreign direct investment (FDI) into Kenya to reach \$ 1 billion by 2023.

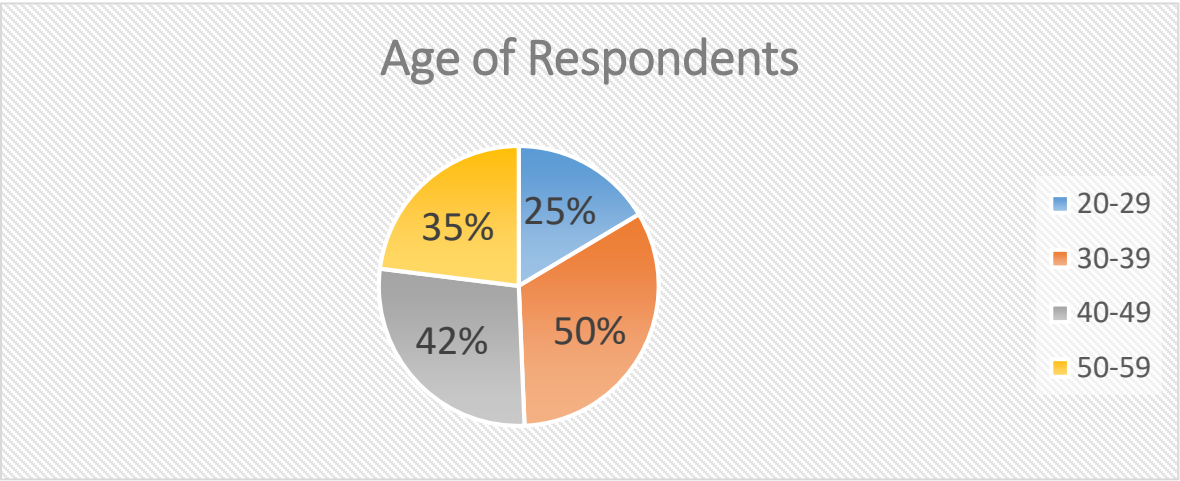


Figure 2.2: Age of Respondents
Source: Researcher 2023

According to the figure above, the respondents aged differently in terms of 20-29 were 25%, 30-39 respondents were 50%, and 40-49 respondents were 42% while 50-59 were 35%. The results show that respondents aged 30-39 actively participated in the research out of all respondents.

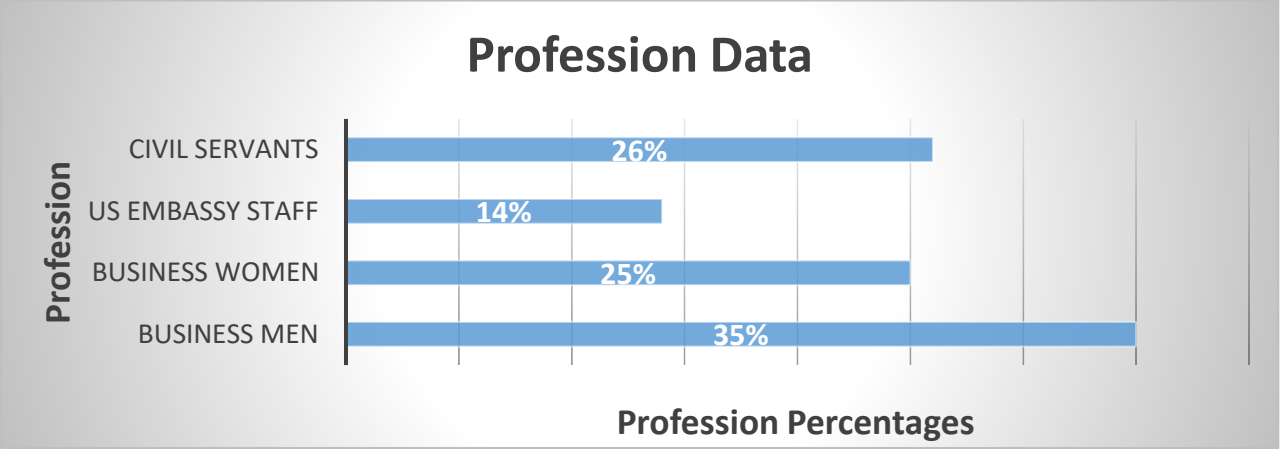


Figure 2.3: Profession Data
Source: Research 2023

In the data above, business persons actively participated in the research, followed by civil servants. In addition, business persons and the U.S. embassy staff were generous with providing necessary information during the research.

2.3. US-Business Community and Kenya's Economic Growth

From the data collected during the research, the respondents agreed that the U.S. business community in Kenya has, over time, created advances in enhancing economic development. The Kenyan community benefits highly from the structures constructed by the U.S. business. Bilateral relations between the USA and Kenya have, over time, enhanced economic development between the two states. The U.S. corporate community significantly aids the development of ties between the U.S. and Kenya. Kenya has equally benefited from the investments and trade policies²⁸. Some of the investments include investments in terms of trade activities and partnerships that contribute to economic growth, job creation, and the development of various sectors in Kenya. Discussed in this chapter are a few essential points emphasizing the part played by the US corporate community in interactions with Kenya. The research also gives pertinent information such as tax collection and total investments. Additionally, the presence of US companies encourages entrepreneurship, technological transfer, and information sharing, which in turn fosters economic growth in African nations. In reference to the African Development Bank, US corporations' investments in Africa help to boost productivity, open up new markets, and diversify Kenya's economy.

²⁸ Gakwandi, A. A. (2019). The Role of US Multinational Corporations in the Development of Kenya's Economy. *International Journal of Humanities, Social Sciences, and Education*, 6(11), 60-69.

2.4. Technology Transfer and Innovations in Kenya

In terms of technology transfer, US corporations assist Africa's development in a number of sectors by bringing technological developments and experience to the continent. This technology transfers benefits all infrastructure, healthcare, agriculture, and manufacturing capacities. Investments in infrastructure for Information and Communication Technology (ICT) projects and renewable energy initiatives are two specific examples. Others include tech incubators and hubs, Fintech, and digital services.

The US business has created economic development in Kenya through technology in ways that promote entrepreneurship and job creation. In that sense, the engagement aims at promoting indigenous businesses and innovators. The achievement is due to the fact that the US firms have built tech centers, incubators, and academies in Kenya. These centers offer networking, funding, as well as mentorship possibilities, which support the growth of creativity and new technologies. Kenyan specialists, designers, and proprietors of companies have access to educational courses and seminars that the US business sector has created to help them advance their expertise and capabilities in a variety of technology-related disciplines. Since 2008, organizations such as Facebook and Orleans Technical College have offered training to Kenyans in reference with technology²⁹. The same trained group tends to work internationally, specifically in the USA.

On the other hand, Kenya benefits from innovation and collaboration through U.S. business community efforts. African startups and entrepreneurs frequently work with the U.S. business community to drive innovation and open up new prospects. Entrepreneurship is encouraged, and sustainable economic growth remains fostered by initiatives like the collaborations between local firms and the U.S. African Development Foundation (USADF).

²⁹ Ibid

2.5. Philanthropy and Social Impact

Respondents reported that Kenya receives foreign aid to cushion its development activities. Kenya is a developing country, and foreign aid from developed countries enables the state to plan and execute economic development. Through foreign aid, Kenyans benefit in numerous ways, such as employability, infrastructure enhancement, improved living standards, and literacy. U.S. companies with operations in Kenya frequently take part in CSR programs, making investments in local communities and lending support to social development efforts. These initiatives address important needs such as clean water, medical services, and training.

During COVID-19, the U.S. business community supplied aid to Kenya in efforts to facilitate the community with necessary safety against the pandemic. The COVAX international project, which seeks to guarantee fair access to COVID-19 vaccinations globally, involves the full involvement of the U.S. government. Kenya has received a dosage of donated or financially supported vaccines through COVAX. Additionally, the U.S. business community has played a part in helping vulnerable communities such as refugees through humanitarian aid. The United States has given Kenya humanitarian aid to help vulnerable populations, such as refugees and internally displaced people, who are particularly in danger during pandemics such as COVID-19 and crises in the region. According to the respondents in this research, foreign aid and humanitarian aid increased in 2022. USAID reported that foreign aid and humanitarian aid increased from 30% in 2019 to 57.8% in 2022 due to the COVID-19 pandemic and other crises such as drought, famine, and conflict.

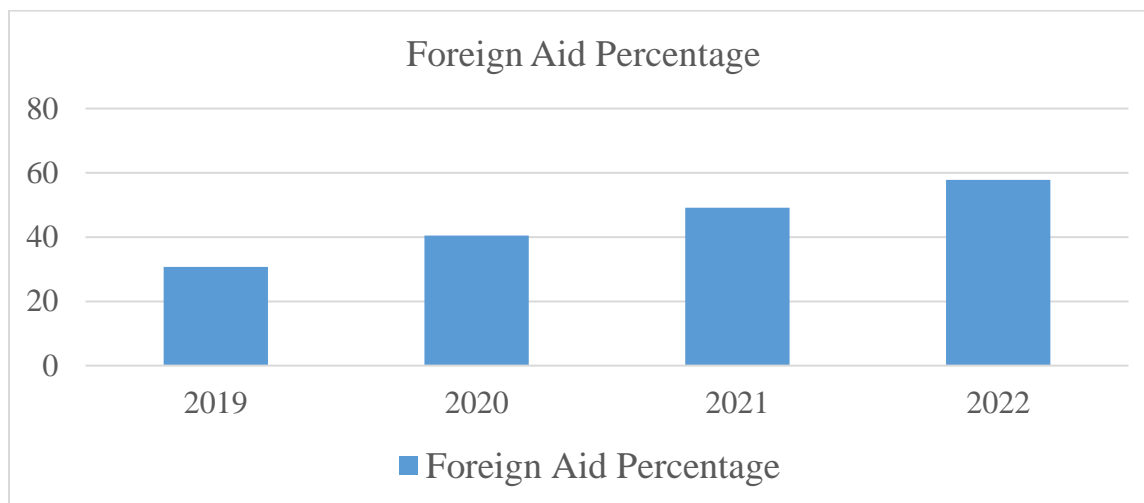


Figure 2.4: Foreign Aid Percentage
Source: Field Data 2023

2.6. US-Africa Infrastructure Investment Initiative

One of the most important factors in promoting economic growth and development on the continent of Africa has been infrastructure investment. It may involve initiatives in the fields of telecommunications, electricity, water supply, and transportation. The US business community works with authorities and global institutions to advance the advancement of Africa's infrastructures. The "Prosper Africa" initiative of the US governance seeks to encourage \$50 billion in American investment throughout the African continent, with an emphasis on Information and Communications Technology (ICT), energy, and infrastructure for transportation. Again, the initiative by the name Power Africa means all possibilities in installing electricity in rural areas of Kenya. The initiative targets achieving the Sustainable Development Goals 2030 (SDG). In order to enhance access to power in Africa, the US government has established this public-private

collaboration. The USA achieves millions of freshly established connections as an outcome of more than 160 US corporations making investment commitments totaling more than \$54 billion³⁰.

2.7. Trade and Trade Policies

Africa has an abundance of natural resources, such as oil, gas, minerals, and agricultural items. As an important consumer of energy and buyer of raw materials, the US seeks to secure accessibility to these assets and establish stable commercial relations with African nations. As an outcome of the bilateral links, US companies have now invested in energy discovery, the extraction process, and the construction of infrastructure.

In terms of geopolitical impact, the USA and other growing economies have been increasing their involvement in Africa through investment, commerce, and development of infrastructure. For the US, maintaining its geopolitical influence and balancing the rising prominence of other states depends on Africa. Through strengthening diplomatic and economic ties with African nations, the US may have an impact on world concerns, win support in diplomatic fora, and further its foreign policy goals.

America's ties with Africa encompass humanitarian aid and international development. The United States government and private sector organizations collaborate on initiatives supporting economic expansion, medical care, and educational development in African states. In return for this assistance, researchers commonly demand that US firms have improved market access and favorable business conditions.

³⁰ Kimani, M. N. (2019). The Role of the United States in Kenya's Development Agenda: A Critical Review. *Journal of African Foreign Affairs*, 6(2), 57-70.

The USA furthers its economic ties with African nations by utilizing trade and investment policies. The African Growth and Opportunity Act (AGOA), which permits some goods from eligible African countries to enter the US market duty-free, is one of the adopted trade and investment policies. AGOA aims to promote trade, investment, and economic growth in Africa while advancing US commercial interests.

Public-private partnerships (PPPs), which are still a typical means for the US government to collaborate with private businesses in Africa, are important in the eyes of the USA. These partnerships utilize the assets and expertise of both the US government and businesses in order to address development challenges and advance economic growth in African countries

Gender Parity

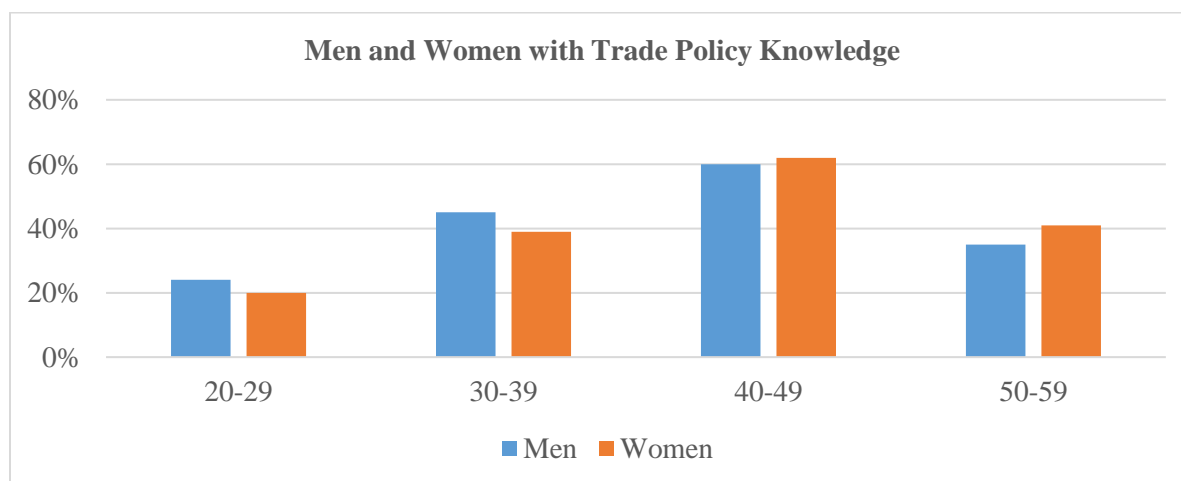


Figure 2.5: Men and Women with Trade Policy Knowledge
Source: Field Data 2023

From the chart above, the research shows that there is an increase in women in terms of understanding trade and trade policies. Given different environments and ages, women and men indicated different results, as the study shows. Between the ages of 20-29, 20% of the women

showed minimal understanding; the percentage increased to 39%, shot to 62% for the 40-49 age bracket, and decreased to 41% for the age bracket 50-59. This shows that age 30-49 has the largest number of women aware of trade and trade policies. The increased number is due to exposure to business management positions, policy-making, and international-related studies.

Globally, society regards women as weak beings when it comes to policies, but the narrative has changed. Women contribute to policy-making, hence the knowledge of trade and trade policies. Men demean women and associate them with less involved economic activities. Most women end up in their houses taking care of their families even after going to learning institutions and acquiring the necessary knowledge in specific and professional fields. Changing the narrative takes boldness and brevity to overcome the norms.

In Africa, women take positions in medium-sized enterprises (SMEs), which tend to extend trade and transactions internationally, hence reaching a wider market. The interactions introduce women to networking and capacity building, unlike men, who focus on large exports and imports. Education, training, and networking introduce women to taking positions that the globe thought men owned. The men had dominated the topmost positions and could not allow women to participate in the decision-making process.

2.8. Chapter Summary

The chapter explores the crucial part of the US corporate community, which has played an important role in promoting and bolstering ties between the US and Africa. The chapter explains the background of US-African relations; the role played through different investments and transactions between the USA and Kenya, as well as how the business community has emerged as a major factor behind the formation of cooperative relationships. Throughout historical events, the

US business community has played a crucial role in promoting US-Africa relations, and this position continues to influence the partnership's future. American businesses have contributed significantly to economic growth, the building of diplomatic ties, and the promotion of prosperity for both the United States and Africa by focusing on trade, investment, technology transfer, and ethical corporate practices.

CHAPTER THREE

THE CHALLENGES FACING THE US-BUSINESS COMMUNITY IN FOSTERING US- AFRICA RELATIONS

3.0. Introduction

This chapter's objective is to investigate the obstacles and challenges that the US business community has experienced while revealing real-world instances and the lessons that US companies that have conducted business in Kenya have learned. By understanding the intricacy and complexities that lie ahead, the US business community may develop specialized methods to establish long-lasting and mutually beneficial relationships with Kenya. Despite the difficulties, successful engagement with Kenya has the potential to bring about a variety of advantages for both Kenyans and American businesses.

The chapter also examines the complex and wide-ranging challenges that the US business community faces when attempting to forge long-term links with Kenya. Managing the many dynamic economies on the continent takes much work despite the considerable opportunities it presents. Businesses from the United States that enter this new market will confront a variety of obstacles, including complex political laws and regulations, sociocultural disparities, and fiscal challenges.

3.1. Nexus between challenges facing the US-business and US-Africa Relations

The issues that U.S. companies must deal with and the relationship between the U.S. and Kenya can be complex and intertwined. Economic, political, social, and cultural issues are present in both fields and have an impact on one another. To address issues and promote U.S.-Africa relations, a comprehensive strategy encompassing diplomacy, trade policies, investment promotion, capacity

building, and cooperation between governments, corporations, and civil society. Fostering a positive and mutually productive partnership requires balancing economic objectives with concerns for ethical, human, and sustainable growth.

This being the second objective of the research, it outlines the challenges faced by the U.S. business community in fostering U.S.-Africa relations. The chapter presents the findings obtained from the questionnaire and interviews, with a conclusion at the end.

3.1.1. Political and Governance Challenges in Kenya

The respondents presented the statement, “The political and regulatory climate is a further important factor for any business to thrive in a new environment.” The informants stated that African countries differ greatly in terms of political stability and consistent policies, which has an impact on the business environment and investment climate. In addition, the respondents noted that navigating the maze of bureaucratic procedures and occasionally corrupt institutions could be challenging for American businesses, discouraging potential investors.

The respondents noted, “With a relatively smooth transfer of power between elections, Kenya is considered as one of the most politically stable nations in the East African area. However, there are difficulties, such as political conflicts.” Political unrest and protests have occurred in Kenya at times, and the results impede commercial operations and raise investor uncertainty. The informants also mentioned that political turmoil and post-election violence have previously occurred in Kenya, thus the possibility of future occurrence if the state remains unstable politically. This is in line with Gharaibeh, who opines, “Political unpredictability can destabilize the corporate environment,

erode customer confidence, and make planning and investing more difficult.”³¹ . Political instability exposes Kenya to the dangers of losing potential international investors.

Concerning governance, the respondents presented a statement that "when conducting business in nations with lax laws or concerns about human rights, U.S. companies encounter ethical challenges." This leads to difficulties in striking a balance between seizing economic possibilities and protecting morals. The respondents also added that the "US-business community should not fear the challenges; rather, the investors can use the challenges as an opportunity for investment in Kenya."

3.1.2. Corruption in Kenya

The respondents presented an account that "In Kenya, corruption has long been a problem that has an impact on the social, political, and economic facets of the nation. Most international investors fear Kenyan corrupt leaders and the demands that come with it." The respondents gave an example of a corruption case between the U.S. business community and Kenya as that of Calvin Burges. Most individuals in Kenya, such as members of the county assembly, the opposition leader, and a governor, planned an evacuation over Dominion farms in Siaya County. Calvin Burges suffered humiliation and threats from most individuals in the government. Corruption targeting the Dominion farms made locals lose their employment due to several attacks by armed goons. In addition, relatives who support their corrupt family members participated by taking forcefully finished products and demanding a lump sum of money without any clear explanation. The

³¹ Gharaibeh, Omar K., and Buthiena Kharabsheh. "Corruption, political instability and their impact on investment: An FMOLS approach." *Investment Management and Financial Innovations* 19, no. 1 (2022): 77-90.

respondents added that to frustrate Calvin Burges more, the corrupt leaders went ahead and hired an Indian company called Godavari enterprises, registered under the Farmlands of Africa.

The respondents added that poverty catalyzes corruption in Kenya, and this does not mean that most individuals in the government are poor; they are just greedy and want to accumulate more for themselves through dubious means. One of the key informants stated, "The government takes advantage of people willing to bring change in Africa simply because they feel that foreigners have no right to invest without passing through the authorities and bribing them."

The American law does not allow any form of bribery. Bribery cases send people to jail, and have to pay a fine as well. Using Calvin's case, one of the key informants stated, "Upon payment of the bribery to the Kenyan authorities, the USA government could have fined and jailed him for not less than ten years." Foreign investment in Kenya comes with more advantages since Kenya is a developing country. Nevertheless, not all people embrace change because of their interests. One of the respondents stated that people like Jackson Omondi, who was a local and a schoolteacher, tried to prevent the Dominion Company from establishing modern agricultural methods by saying that the project was changing the natural landscape of the Yala swamps.

Kenya has frequently placed low on global perception indices of corruption. Kenya frequently ranks among the most corrupt nations in the world according to Transparency International's Corruption Perceptions Index (CPI). Corruption has been reported in a number of industries, including business, government, law enforcement, and the judiciary³². This is confirmed by one of the statements made by one of the respondents;

³² Amoah, Anthony, Rexford Kweku Asiama, Kofi Korle, and Edmund Kwablah. "Corruption: Is it a bane to renewable energy consumption in Africa?." *Energy Policy* 163 (2022): 112854.

“Corruption menace in Kenya exposes the country to numerous risks from international space. Corrupt government, corrupt citizens, and corrupt institutions scare potential international investors, hence losing to any state that embraces corruption. States like Kenya should deal with corruption, hence the ability to realize potential in terms of foreign revenue collection.”

3.1.3. Insecurity in the Horn of Africa in Reference to Kenya and Foreign Investment

The informants presented a statement: “The U.S.-business community may be considerably discouraged from investing in Kenya due to insecurity, specifically from the Horn of Africa.” The findings indicate that insecurity remains a main threat for people living in the Horn of Africa and foreigners with intentions of investing in the region. Respondents also opined, “Terror groups such as Al-Shabab scare away investors and tourists, hence making states like Kenya lose in terms of revenue collection.” This is in line with Getahun, who states, “Conflict and peace instability make people migrate in fear of their lives.”³³. There are incidents where the USA government, together with the Kenyan government, have tried to deal with the insecurity issue. Kenya does not work alone on terrorism, hence reducing the possibility of the attacks. Tolerance to the terror group in the group does not exist in the presence of the military. The findings show that working together for a common goal makes the terror groups scared whenever they plan to attack. Unsecure environments interrupt business operations, hence minimal yields. The findings state that “safety for workforce and assets, insecurity such as crime, terrorism, and civil disturbance: insecurity threatens businesses directly.” The informants presented an account “Every company has employee safety as a primary responsibility, and worries about employee safety can deter

³³ Getahun, Surafel. "Assessment of Foreign Direct Investment Inflows into Ethiopia in Light of Peace and Security Challenges from 2018-2022." Available at SSRN 4473548 (2023).

businesses from starting up or expanding in Kenya.” Unsecure environments threaten business existence even when willing parties are for the investment idea. Unstable environment delays activities such as production, supply and closure of facilities due to activities such as labor disputes and demonstrations. In this regard, one of the key informers said that:

“Kenya faces insecurity such as terror attacks specifically from Al-Shabab. The terror group keeps Kenyans worried about their safety. Attacks such as Dusit D2 and Westgate Mall affected international investors and tourists. The attacks make Kenya unfavorable for foreigners who would like to invest, visit, or even permanently settle. The Kenyan government tries its best to protect the citizens from any harm.”

3.1.4. Socio-Cultural Differences between Kenya and the USA

The respondents were presented with the statement, “It is crucial to understand the distinctive characteristics of the African continent in order to comprehend the seriousness of these difficulties.” In addition, the informants added that “Kenya requires a sophisticated and context-dependent strategy from US corporations due to its various cultures, each of which has its cultural customs, legal frameworks, and commercial practices.” The findings show that “the relationship gets further complicated in the manner in which previous interactions between Kenya and the West continue to influence perspectives.”

The findings agree with the sentiments made by Cooke, “lack of knowledge of the African business environment is one of the main obstacles that the US corporate community faces in promoting U.S.-Africa cooperation.”³⁴ Additionally, organizations looking to do detailed market research and

³⁴ Cooke, Jennifer G., and Richard Downie. "Launching a New Chapter in US-Africa Relations." Center for Strategic and International Studies Report, Washington, February (2014).

risk assessment have a huge barrier due to Kenya's asymmetry of information, coupled with inadequate data availability and dependability.

In addition, the respondents added, "generalizations and presumptions about Kenya as a state hinder the odds of American businesses succeeding in Kenya, even though some of them may have expertise with other emerging markets."

The respondents were presented with the question, "Does dealing with cultural differences and forming solid local alliances affect the success of American enterprises?" The findings indicate, "Building confidence and trustworthiness within African communities requires an understanding of and respect for cultural norms, regional traditions, and various languages." Building strong relationships with neighborhood companies is also essential to gain accessibility to their distribution channels and market expertise. In response to the statement as mentioned above, one of the key respondents stated that; "*Kenya lacks a defined culture due to diversity, and therefore, being tricked by that becomes easy for foreigners. Kenyans behave from the names they give their children to the manner in which they serve their food; many Kenyans adhere to customs that are specific to their ethnicity.*"

Key informants were presented by the statement, "United States of America possess a different culture from that of Kenya." The respondents also added, "Relocating from one's culture and settling in new places during an investment period makes one meet a completely new culture." In reference to research done by Zhang, "In the process of meeting a new culture, an individual fails not to meet culture shock."³⁵ New culture comes with its advantages and disadvantages. The

³⁵ Zhang, John F. "Cultural diversity and capital structures of multinational firms." *Review of Corporate Finance* 2, no. 2 (2022): 295-351.

findings show that "individuals moving from their culture to another culture should prepare themselves psychologically. Respect for other peoples' culture remains paramount in any international interaction."

3.1.5. Economic Difficulties

The key informants state clearly how the financial conditions of the world have changed dramatically in recent years, with Africa appearing as one of the most attractive frontiers for trade, investment, and collaboration prospects. They stated that the American business sector has become interested in Kenya's potential for growth and development. Therefore, the US is keen to take advantage of its enormous markets and resources. In order to grow their market and acquire a competitive edge in a world that is becoming more interconnected, American firms must prioritize strengthening US-Africa relations. In this regard, one of the key informants affirmed the above statement by saying; *"America has shown interest in tightening bilateral relations with Kenya. The United States of America has invested in various sectors in Kenya. Keeping regular interactions between the two states drives economic development in Kenya as well as in the USA."*

Evidently, one of East Africa's largest economies and a regional center for commerce and investment is Kenya. Its rising middle class and growing demographic give potential for firms across a range of industries³⁶. Additionally, through a variety of initiatives, such as the establishment of special economic zones and tax incentives, the Kenyan government has worked to cultivate a business-friendly atmosphere and draw foreign investment.

³⁶ Stahl, Rune Møller. "Economic liberalism and the state: dismantling the myth of naïve laissez-faire." *New political economy* 24 ,no. 4(2019):473-486. <https://doi.org/10.1080/13563467.2018.1458086>

Regulatory intricacy, political unpredictability, and corruption may discourage American companies from making investments in Kenya. In East Africa, Kenya remains the most corrupt country. Political leaders and civil servants mostly operate through corruption. Addressing these obstacles and fostering transparent and stable economic environments can help to strengthen U.S.-Africa relations. In this regard, one of the key informants said:

"Kenya is a corrupt country, and the status affects the State's capacity to uphold and carry out its commitments in relation to human rights, as well as on its ability to provide the necessary services, such as an effective judicial system, law enforcement, health care, education, and social services."

3.1.6. Poor Infrastructure

The key informers were presented with the interrogation, "Does Kenya as a nation continue to face significant infrastructure challenges? The response indicated, "Poor infrastructure in Kenya can have a big impact on US companies operating there or looking to invest there." The respondents added, "For American businesses looking to establish a presence in the area, inadequate transportation networks, unpredictable energy supplies, and restricted access to technology can impede company operations and raise costs."³⁷

The informants also added, "Kenya has been a pioneer of technological innovation, especially in the fields of Fintech and mobile money in Africa." Businesses in the tech and digital sectors can benefit from this. On the other hand, Kenyan technology is not at the same level as American technology, which causes investors to face higher operating costs, restricted market access, supply chain interruptions, and talent retention issues.

³⁷ Stahl, Rune Møller. "Economic liberalism and the state: dismantling the myth of naïve laissez-faire." *New political economy* 24, no. 4 (2019): 473-486. <https://doi.org/10.1080/13563467.2018.1458086>

One key informant stated, “Successful business people from the USA, such as Mark Zuckerberg, visit Kenya with different intentions.” The informant went ahead and gave an example of Zuckerberg in 2016 when he visited Kenya with the intention of understanding how mobile money operates. With the same knowledge, the successful businessperson decides to transfer the same knowledge to the USA. It is not that Kenyans are badly off in terms of investment and infrastructure. In East and Central Africa, Kenya remains at the highest position regarding infrastructure development³⁸. A statement made by one of the key informants confirms the above statement by the saying:

"In East Africa, Kenya provides a benchmark in terms of infrastructural development. As much as Kenya is a developing country, the state offers a lot to the globe. Opportunities there are plenty of them, as well as aspects of international transactions that Kenya offers to any willing buyer. Over time, Kenya has proved itself to the globe, and given time, Kenya has the potential to showcase its capacity in developing infrastructure."

3.1.7. Kenya's bilateral relations with other States

The key respondents were presented by the statement, "Kenya and China have maintained substantial bilateral ties, especially in the areas of trade, infrastructure improvement, and investment." The findings indicate that the relationships have effects on US companies doing business in Kenya. Due to China's potential for infrastructure and development, commerce and

³⁸ Lesutis, Gediminas. "Infrastructure as techno-politics of differentiation: Socio-political effects of mega-infrastructures in Kenya." *Transactions of the Institute of British Geographers* 47, no. 2 (2022): 302-314. <https://doi.org/10.1111/tran.12474>

investment, as well as job creation and skills transfer, Kenya favors China as a trading partner. The informants also stated, "China has contributed significantly to the construction of Kenya's infrastructure, including its roads, trains, ports, and energy facilities."³⁹ All firms in Kenya, including those from the US, may profit from improved infrastructure since it will make logistics and transportation more efficient.

The findings show that in terms of trade and investment, China's presence and investment in Kenya have sparked economic growth and created a favorable atmosphere for both. Due to the rise in general economic activity, this has benefited the US business community indirectly. This aligns with Plummer, who opines, "Large infrastructure projects and investments from China have also contributed to the development of jobs and the transfer of skills to the local workforce."⁴⁰ A skilled labor pool that could be useful to Kenyan companies operating in Kenya developed because of the transaction between Kenya and China.

One of the key informants noted that difficulties arise from competition for projects and contracts, as Chinese businesses frequently compete for and win significant infrastructure projects in Kenya. This restricts US companies' ability to take part in such projects, particularly if Chinese firms are offering financing arrangements that the Kenyan government finds more alluring. Additionally, China is a major source of funding for Kenya; as a result, excessive reliance on China for project financing and execution raises concerns about debt or creates economic imbalances in Kenya.⁴¹ Chinese suppliers and contractors predominantly tie Chinese investments with conditions, which restricts the diversity of business alliances for both domestic and international enterprises.

³⁹ Plummer, Anita. *Kenya's Engagement with China: Discourse, Power, and Agency*. MSU Press, 2022.

⁴⁰ Ibid

⁴¹ Ibid

When it comes to negative trade dynamics, the surge of Chinese investment and products presents difficulties for US companies operating in Kenya, especially if Chinese goods oversaturate the local market and impede fair competition and market access for American goods. In reference to the above statement, one of the main informants said:

*“China manufactures affordable items for Africa continent. Mainly, Kenya’s business people mostly source their products from China due to availability and affordability. Most products from the USA tend to be expensive and long-lasting. The US commodities’ quality cannot match with what China transports to Kenyan market.”*⁴² Key informants also added, "With regard to Kenya's close ties to China, geopolitics can also be a problem. Its position on specific international issues or diplomatic alliances." The findings show that "The two states feel the impacts of interactions and interests of US firms, which possess indirect consequences on how the US interacts with Kenya." The statement confirms what Majune et al. say, "There have occasionally been issues with labor abuses and environmental effects related to projects with a Chinese lead. Local opposition could result from this, which could harm international companies operating in the nation, particularly the US companies."⁴³

3.1.8. Chapter Summary

The chapter remains in alignment with the questions presented on the questionnaire. The chapter tries to answer the questionnaire in reference to what most informants presented during the research activity. The eminent challenges faced by the US-business community while fostering

⁴² Majune, SocratesKraido, Kamau John Gathiaka, and Michael Ndwiga. "Trade agreements and survival of service exports from Kenya." *Cogent Economics & Finance* 10, no. 1 (2022): 2107768.

⁴³ Ibid

US-Africa relations include socio-cultural differences, insecurity, economic challenges, political challenges, poor infrastructure, and Kenya's bilateral relations with other States such as China. From the information gathered during the research, the US companies operating in Kenya must carry out in-depth market research, forge solid local alliances, keep up with legislative changes, and design strategies that take into consideration the distinct economic, political, and social landscape of the nation.

CHAPTER FOUR

THE NEW STRATEGIES OF THE US-BUSINESS COMMUNITY IN FOSTERING US- AFRICA RELATIONS

4.0. Introduction

The chapter analyses the new strategies of the U.S. business community in fostering U.S.-Africa relations. The analysis identifies strategies that the U.S. business community can implement while investing in Kenya and Africa in general. Africa as a continent is faced with similar challenges; therefore, the strategies identified can also apply to the entire continent. The chapter also focuses on identifying how public diplomacy helps in the creation of bilateral relations.

4.1. New Strategies for Fostering US-Africa Relations

The researcher asked the participants to indicate whether the U.S. business community understands the new strategies for fostering U.S.-Africa relations. The majority of the informants, 85%, specified that the U.S. business community understood the new strategies that are for fostering U.S.-Africa relations.

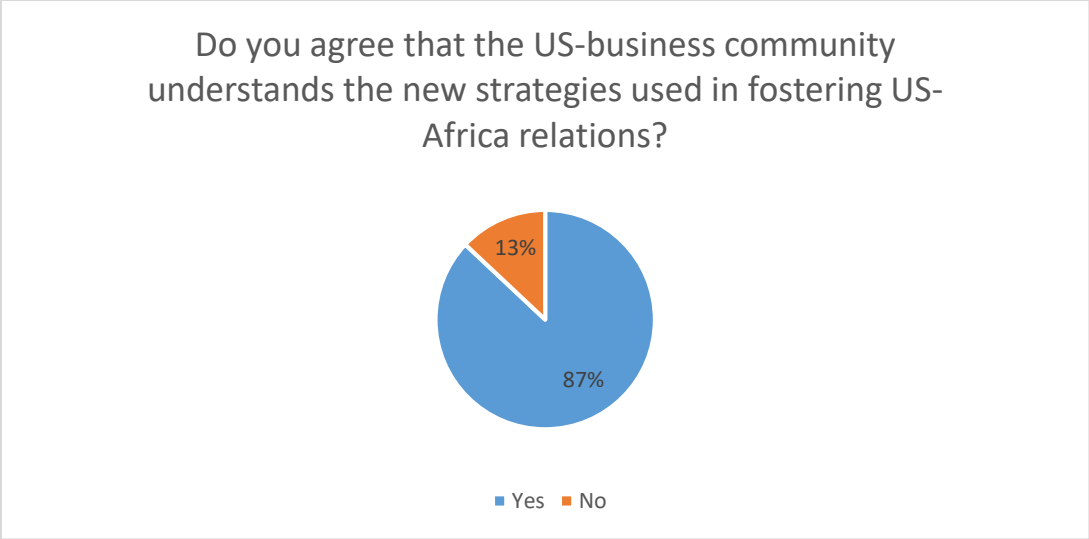


Figure 4.1: New strategies for fostering US-Africa relations
Source: Field data 2023

From the chart above, it is clear that most individuals understand the new strategies useful in the implementation of US-Africa relations. In order to invest in Kenya, foreign investors need to understand the best strategies for their businesses. Each business operates individually and success is based on the strategies utilized while starting and through the operation process⁴⁴. The new strategies that can be utilized in the implementation of businesses by the U.S. business community include technology transfer, trade and investment, infrastructure development, public-private partnerships, cultural exchange and understanding, advocacy, and public diplomacy, as well as sustainable development and Corporate Social Responsibility (CSR).

4.2. Effectiveness of the New Strategies Utilized by US-business Community in fostering US-Africa Relations

The researcher tasked the informants with indicating the effectiveness of the new strategies utilized by the U.S. business community in fostering U.S.-Africa relations. The researcher found that the

⁴⁴ Odhiambo, Nicholas M. "Foreign direct investment and economic growth in Kenya: An empirical investigation." *International Journal of Public Administration* 45, no. 8 (2022): 620-631.

majority of the respondents, 45%, indicated that the strategies were highly effective, 25% indicated that the strategies were less effective, 20% indicated that the strategies were effective, and 10% indicated the ineffectiveness of the strategies. The chart below indicates the results as per the statistics above.

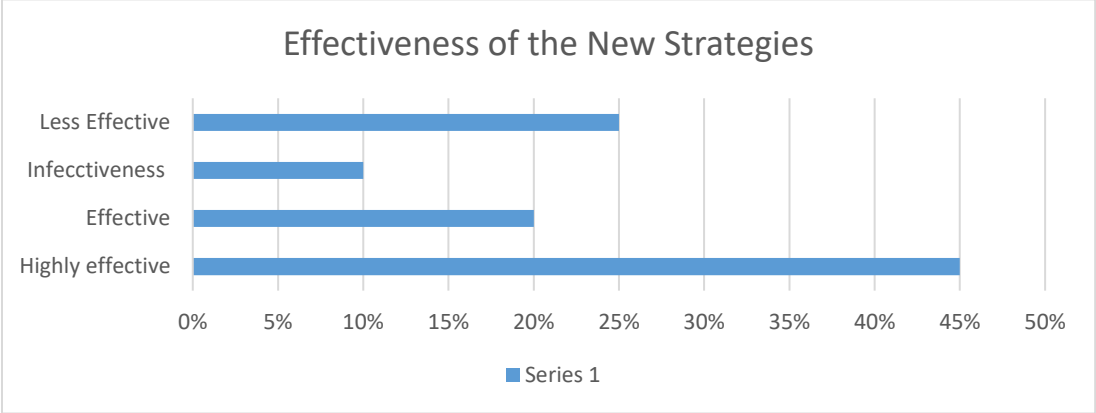


Figure 4.2: The effectiveness of the new strategies useful in fostering US-Africa relations
Source: Research data, 2023

The effectiveness of the new strategies can be derived from the achievements received and investments made by the U.S. business community in Kenya. Due to factors such as economic engagement, diplomatic initiatives, Security Corporation, people-to-people exchange, health partnerships, development assistance, and climate change and environmental engagement, the U.S. business community has been able to invest in Kenya.

Diplomatic engagement between the US and Kenya creates successful relationships. A state cannot invest or visit another state that they have not created diplomatic ties. Building relationships is mostly dependent on diplomacy. The US has been making diplomatic efforts through frequent high-level visits, consultations, and discussions to fortify partnerships with African countries.

Common difficulties, including public health, climate change, and security, are the focus of these programs⁴⁵.

4.3. Performance of the US-Business Community in Kenya

The researcher wanted to establish if the U.S. business community investment in Kenya has tried to show performance and change in terms of economy, social, security, politically, or culturally. The study recognized that most U.S. investments in Kenya had a great impact on the nation and its citizens. The majority of the informants, 62%, confirmed that the U.S. business community had created a great impact on Kenya as a state. In addition, 38% of the respondents indicated that the U.S. business had yet to fully attain its potential in influencing Kenya as a state. The study sought to establish how Kenya's strategic position, business-friendly atmosphere, and somewhat stable economy have always piqued the interest of the U.S. business community. In reference to those above, one of the respondents stated that:

"Though the US-business community has tried to bring change in Kenya through their investments and the bilateral relations, there is still a lot to be achieved by the two states. Kenya, being a developing country, still needs to benchmark adequately with developed countries such as the U.S. Also, the USA should not take advantage of incapacitated states in terms of technology. However, they should transfer technology to states like Kenya and help them to grow economically by use of their raw materials."

⁴⁵ Evans, Pearl, Peter Kariuki, and Fredrick Wafula. "Effect of fiscal policy on foreign direct investment inflows in Kenya." *International Journal of Finance and Accounting* 7, no. 1 (2022): 33-59.

4.5. Public Perceptions on New Strategies Suitable for US-business Community

The research aimed to ask the respondents whether the new strategies were going to help the USA and Kenya improve their bilateral ties. The majority of the informants, 66%, agreed that the new strategies would be useful in fostering US-Africa relations, while 34% disagreed.

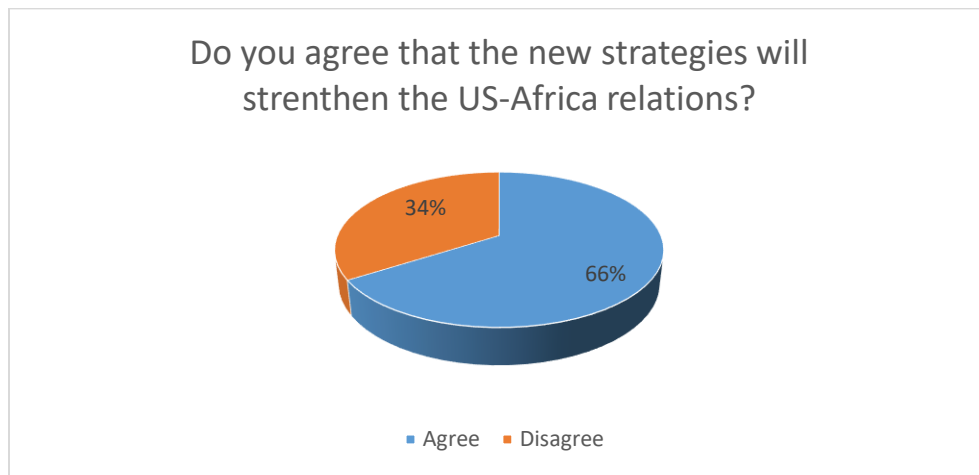


Figure 4.3: Strategies in Strengthening US-Africa relations
Source: Field research, 2023

From the statistics collected from the field, 66% of the respondents agreed that the new strategies, if well implemented, would strengthen US-Africa relations. The US business community has previously invested in Kenya; therefore, targeting strengthening the bilateral relations fosters positive impacts for both states. Additionally, 34% of the respondents disagreed and gave their opinion on why they feel that the new strategies might not work due to the rate of challenges associated with foreign investment in Kenya.

4.6. Independence of International Investment in Kenya

The study sought to understand the independence of international investment in Kenya. According to the results obtained from the study, the majority of the informants, 63%, designated a deficiency

of independence from the US business community. US businesses operating in Kenya that have adhered to the Kenyan style of operation were ranked at 23%, and most of them tend to succeed in their business through their independence. Again, 14% of the respondents indicated zero knowledge concerning the independence of the U.S. business community in Kenya.

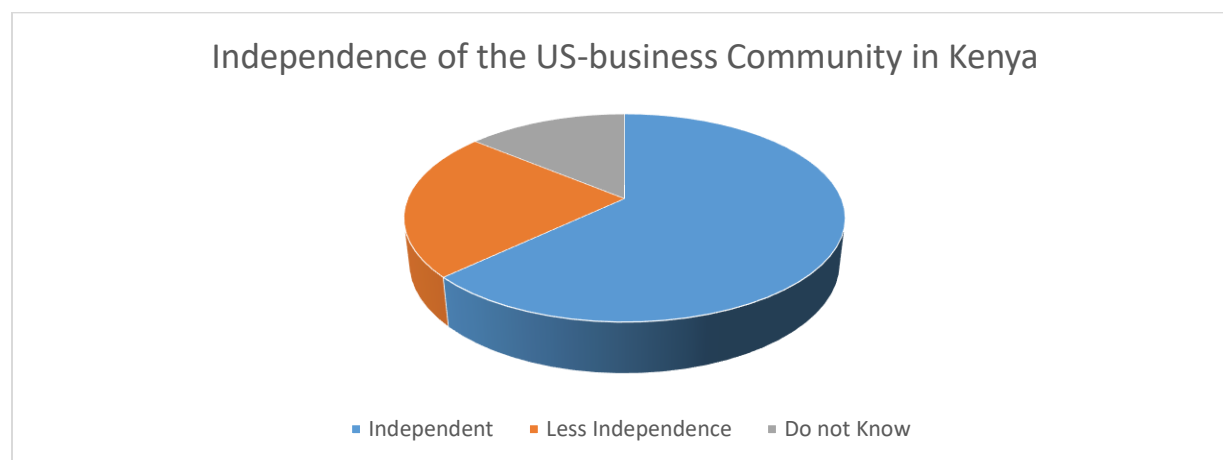


Figure 4.4: Independence of the US-business community in Kenya
Source: Research Data, 2023

The US and Kenya, at the beginning of July 2020, negotiated the first FTA in sub-Saharan Africa. Kenya rated 56th out of 190 economies in the World Bank's 2020 Ease of Doing Business survey, five places higher than in 2019⁴⁶. Kenya has climbed 73 spots on this index since 2014⁴⁷. The country keeps improving its regulatory environment and its allure as a location for foreign direct investment (FDI) year after year⁴⁸. Despite this development, American companies doing business in Kenya continue to encounter aggressive tax collection efforts, onerous bureaucratic procedures,

⁴⁶ Odhiambo, Nicholas M. "Foreign direct investment and economic growth in Kenya: An empirical investigation." *International Journal of Public Administration* 45, no. 8 (2022): 620-631.

⁴⁷ Evans, Pearl, Peter Kariuki, and Fredrick Wafula. "Effect of fiscal policy on foreign direct investment inflows in Kenya." *International Journal of Finance and Accounting* 7, no. 1 (2022): 33-59.

⁴⁸ Odhiambo, Nicholas M. "Foreign direct investment and economic growth in Kenya: An empirical investigation." *International Journal of Public Administration* 45, no. 8 (2022): 620-631.

and protracted wait times for required business permits. Despite the fact that corruption is still widespread, Transparency International ranked Kenya 124th out of 180 nations in its 2020 Global Corruption Perception Index, an increase of 13 places from the 2019 report.

4.7. Digital Diplomacy and Cultural Exchange

The U.S. business community can utilize digital diplomacy and cultural exchange in different ways. As a new strategy in the current era, digital diplomacy and cultural exchange in platforms involving public diplomacy, soft power projection, crisis management, bilateral relations, people-to-people connections, cultural heritage preservation, tolerance promotion, and diplomatic relations. Digital diplomacy and cultural exchange are two interconnected concepts that have gained prominence in the modern era due to the rapid advancement of technology and the increasing interconnectedness of the global community⁴⁹.

The current generation prefers technology as compared to the generation in the past two decades. Holding cultural events through technological platforms fosters digital diplomacy in the account of fostering US-Africa relations. Programs for cultural exchange frequently act as a conduit to improve diplomatic connections between states. Countries can project a favorable image that transcends political divisions by presenting their cultures. People possess different knowledge concerning digital diplomacy and cultural exchange influence in fostering US-Africa relations.

⁴⁹ Repnikova, Maria, and Keyu Alexander Chen. "Asymmetrical discursive competition: China–United States digital diplomacy in Africa." *International Communication Gazette* 85, no. 1 (2023): 15-31.

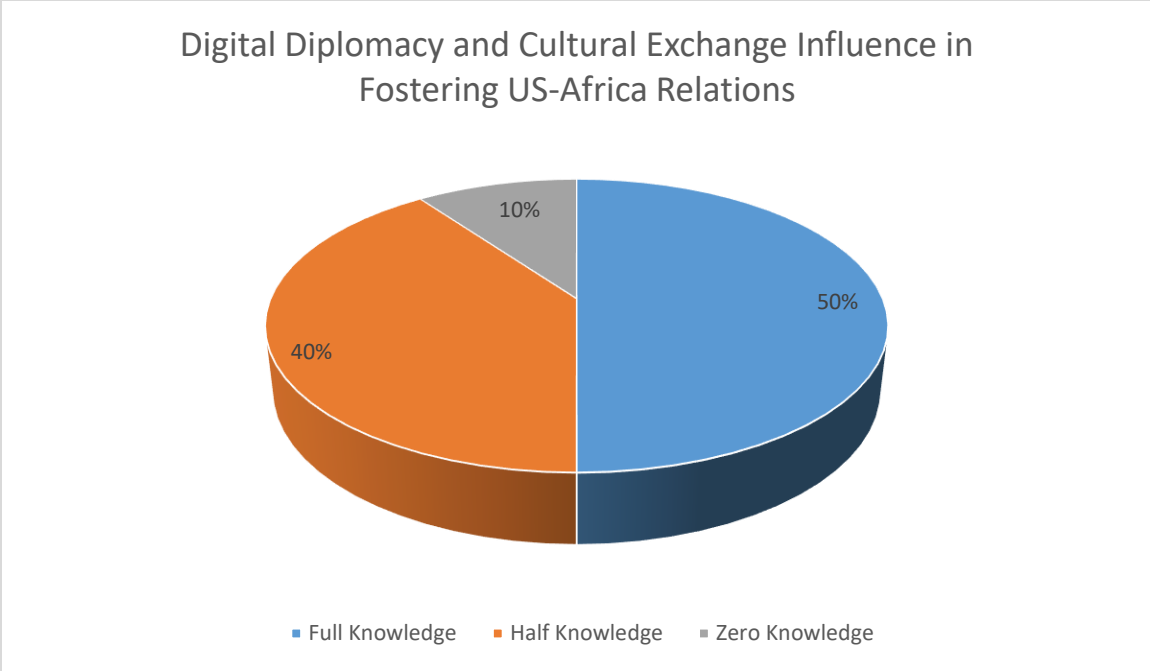


Figure 4.5: Digital diplomacy and cultural exchange influence in fostering US-Africa relations

Source: Research data, 2023

The results from the figure above indicate that 50% of the respondents indicated full knowledge of the influence of digital diplomacy and cultural exchange on U.S.-Africa relations. Those with half knowledge indicated 40%, while 10% showed zero knowledge concerning digital diplomacy and cultural exchange influence on U.S.-Africa relations.

Cultural exchange and digital diplomacy occasionally cross paths. Online platforms offer effective ways to promote cross-cultural interaction. Governments and groups can use digital resources to plan online cultural events, art shows, musical performances, and more, enabling individuals from different regions of the world to interact with each other's cultures without facing physical obstacles. Digital diplomacy may also encourage cultural exchange by fostering an atmosphere of transparency and communication. Countries can display their cultural heritage, foster artistic partnerships, and facilitate cross-cultural debates by utilizing social media and digital platforms, which help to create a more interconnected and culturally diverse global landscape.

In conclusion, digital diplomacy and cultural exchange are complementary strategies that use technology to improve ties between nations, promote understanding among people, and promote a sense of the world as a single, interconnected community. The U.S. business community should implement the idea of digital diplomacy and cultural exchange as a new strategy in fostering U.S.-Africa relations.

4.8. Chapter Summary

This chapter offers a thorough examination of the changing dynamics between the U.S. and Africa, emphasizing the critical role that the U.S. corporate community plays in these dynamics. In order to shed light on the numerous ways in which U.S. companies are actively promoting closer ties between the two regions, we have explored the historical background, new paradigms of business diplomacy, bilateral trade and investment initiatives, advances in technology, sustainable growth, and successful instances throughout the chapter. Again, opinions of the public approaches that the U.S. corporate community can employ to cultivate ties with Kenya can differ depending on a number of variables, such as personal, political, cultural, and economic viewpoints.

The American business community has much potential for promoting U.S.-Africa relations. American businesses built a future of shared prosperity, understanding, and cooperation between the United States and Africa by embracing inclusive economic partnerships, encouraging innovation, transferring skills, strengthening regulations, embracing sustainability, supporting cultural exchange, leveraging partnerships, and prioritizing long-term relationships. These suggestions might take the cooperation to new heights and leave a lasting legacy of positive effects on both sides of the Atlantic.

CHAPTER FIVE

CONCLUSION AND RECOMMENDATIONS

5.0. Introduction

This chapter focuses on giving a summary of the three objectives mentioned in chapter one. The findings have contextualized deeply how the role of the U.S. business fosters US-Africa relations. The study analyses how the U.S. business community plays a role in promoting positive changes in Kenya, especially economically, socially, and politically and cultural exchange.

5.1. Summary of the Findings

The study made data analysis and examined the kind of conclusions that fit the research. After making conclusions through the study findings, the study makes a recommendation.

5.1.1. The Role of the US-business Community in Fostering US-Africa Relations

The American business community plays a large and varied role in advancing relations between the United States and Africa. Economic growth, commerce, investment, and general diplomatic ties between the United States and the African continent can all be significantly impacted by the interaction between the U.S. business community and African nations. Additionally, the U.S. business community plays a critical role in Kenya as a state. By stimulating economic growth, trade, investment, and cooperation, the American business community contributes significantly to the development of U.S.-Africa ties. Their involvement extends beyond business dealings, affecting numerous facets of society and diplomacy to forge closer links between the U.S. and African nations.

By making investments in a variety of industries, including infrastructure, energy, telecommunications, agriculture, and manufacturing, the U.S. business community can support economic development in Africa. These investments help to reduce poverty and promote sustainable development by generating job opportunities, transferring technology, and boosting local economies. In addition, the Universal Declaration of Human Rights, as well as other international and regional agreements, enshrine values that are consistent with those that the United States was founded on more than two centuries ago. These values are at the core of U.S. foreign policy, which places a strong emphasis on promoting democratic principles and defending human rights around the globe.

5.1.2. The Challenges Facing the Us-Business Community in Fostering Us-Africa Relations

Although the research acknowledges obstacles, including political unpredictability and regulatory complexity, its overarching message is one of optimism. The success examples presented in the data analysis provide witness to the possibility of constructive change that can occur when U.S. companies use their knowledge, assets, and influence to forge international relations connections. With an eye toward the future, the study forecasts new developments and business prospects, acting as a road map for individuals involved in determining the course of U.S.-Africa relations.

Addressing infrastructure challenges in Kenya requires both government and private sector efforts. The Kenyan government has been working to improve infrastructure through initiatives and investment projects. However, progress may take time, and U.S. businesses operating in Kenya may need to adapt their strategies and operations to cope with the existing infrastructure limitations. Additionally, some U.S. businesses may choose to invest in infrastructure development projects or collaborate with local partners to help address these challenges more effectively.

5.1.3. The New Strategies of the Us-Business Community in Fostering Us-Africa Relations

The groundbreaking investigation of the various ways in which the U.S. business community is crucially influencing the course of the relationship between the U.S. and Africa is presented in new strategies for the business community. From trade and investment to technological transfer and sustainable development, the objective explores many facets of cooperation with a special emphasis on creative thinking and economic diplomacy.

New strategies as an objective in this study provide historical background by charting the development of U.S. involvement in Kenya as a state. The researcher also explains how business diplomacy is evolving and how economic initiatives are being used more and more as diplomatic ties-building instruments. A thorough analysis is conducted, focusing on the effects of major trade and investment measures, such as the African Growth and Opportunity Act (AGOA), on economic integration and growth.

The research also examines how U.S. companies are promoting innovation and knowledge transfer throughout the African continent in the field of technology. Successful partnership case studies highlight the possibility of advancement and mutual gain. The book also explores the idea of corporate social responsibility (CSR), showing how U.S. businesses actively support community well-being and sustainable development.

5.2. Conclusion

It is impossible to emphasize the vital role played by the American business community in advancing ties between the two continents. American corporations have emerged as essential stakeholders in forming a dynamic and mutually advantageous engagement between the two continents, from economic development and investment to cultural interchange and diplomatic

cooperation. The economic influence that American companies' investments in Africa have on the continent is at the core of this connection. These investments, which include a wide range of industries, including infrastructure, energy, technology, agriculture, and manufacturing, have a considerable positive impact on the economic development of African countries. American businesses contribute cash, knowledge, and innovation through joint ventures and direct overseas investments that support regional economies, generate employment, and promote long-term development. This economic empowerment then tackles important problems like reducing poverty and establishing the foundation for long-term societal growth.

The contribution of the American business community goes beyond financial gain. Another crucial channel by which these businesses promote strong ties between the U.S. and Africa is through promoting trade. Businesses on both sides of the Atlantic contribute to the diversification of economies and the establishment of fair trade practices by importing items from Africa and exporting goods and services from the United States. Such balanced commerce improves the likelihood of long-term engagement by fostering not only stronger economic links but also a sense of cooperation and interdependence.

A key component of this collaboration is technology transfer. When shared with their African counterparts, cutting-edge technologies, managerial knowledge, and best practices from the U.S. business community enable rapid growth and technical advancement. This transfer can take place through joint ventures, information sharing, and capacity-building programs that enable African countries to create vital industries on their own.

The American business community acts as a link between governments and countries in the field of diplomacy. These companies support trade and investment-friendly policies, which helps to create settings that are favorable to economic activity. Additionally, their activities make it easier

to establish forums and talks between the United States and Africa that promote mutual respect, cooperation, and diplomatic goodwill. However, the effects go beyond diplomacy and commerce. Partnerships between American businesses and African organizations result in the co-creation of solutions to problems that both parties face. These partnerships, whether in clean energy, healthcare access, or sustainable agriculture, not only demonstrate the power of collaboration but also highlight a basic human urge to cooperate for the benefit of society.

CSR, or corporate social responsibility, is an example of this philosophy. U.S. businesses with operations in Africa frequently participate in local communities through programs for education, healthcare, and the environment in addition to their financial interests. These initiatives improve local lives while also fostering goodwill and favorable views of the United States. Through CSR, the American corporate community directly benefits societal welfare, cementing its place in African societies.

The contribution of the American business community to the development of U.S.-Africa ties is a potent illustration of the value of cooperation and common objectives. In addition to financial exchanges, their interactions also involve social advancement, technological advancement, cultural interchange, and economic empowerment. Through these many initiatives, American firms are influencing a future of meaningful engagement, mutual respect, and long-term prosperity between the United States and Africa, in addition to supporting economic growth and development on both continents. The contributions of the American business community serve as a light of progress and hope on both sides of the Atlantic as these relations continue to change.

5.3. Recommendations

Through the promotion of inclusive economic partnerships, it can be revolutionary to push American companies to operate in Africa with a more inclusive mindset. American businesses may support a fairer distribution of economic advantages by cooperating with regional entrepreneurs, small and medium-sized businesses, and diverse communities. Such alliances reinforce the fabric of the wider U.S.-Africa relationship while also empowering local players. Additionally, accelerating technological advancement and knowledge exchange in Kenya can be done through supporting the establishment of innovation centers and technology incubators. Businesses in the United States can create collaborative environments that encourage the creation of innovative solutions to regional problems. These programs can promote economic progress and solidify the United States as an important ally in Africa's quest for technological improvement by fostering an innovation culture.

The efficient use of cutting-edge technologies and management techniques can be enabled for African people and institutions by the development of rigorous training programs and skills transfer initiatives. Businesses in the United States can assist in closing skills gaps by making investments in education and vocational training. This will ultimately lead to higher productivity and a more qualified workforce, both of which are essential for long-term economic success. In addition, collaboration between African governments and the U.S. business community to simplify rules and raise governance standards can considerably lower trade and investment obstacles. Regulatory systems that are transparent and effective can boost company confidence and reduce risks, creating an environment that is favorable to long-term growth.

American businesses can set the bar high by implementing sustainable business practices that take into account governance, social, and environmental factors. These companies may support long-

term sustainability while also enhancing their standing as responsible global players by placing a high priority on environmental preservation, moral labor standards, and community well-being. In addition, the relationship between the American business community and African societies can be strengthened through promoting cultural exchange initiatives that help in understanding one another. These programs can dispel preconceptions, develop empathy, and promote long-lasting cross-cultural partnerships by exposing employees and stakeholders to many cultures and viewpoints.

The impact of efforts aimed at economic and social welfare can be increased by cooperation between governments, non-governmental groups, and American enterprises. Public-private partnerships can pool resources, knowledge, and networks to tackle difficult problems, including infrastructure development, education, and healthcare access. In addition, long-term partnerships produce the greatest rewards; therefore, American companies should approach their engagements in Africa with that mindset. These businesses may foster trust, make a significant influence over time, and help leave a positive legacy of relations between the United States and Africa by committing to the sustained growth and development of the regions in which they operate.

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APPENDICES

Appendix I: Questionnaire

My name is Rabecca Kavithe Ndeto, a student at the University of Nairobi pursuing Master of Arts in Diplomacy. It is toward fulfilling the requirements of the program carrying out a thesis on the role of the US-business community in fostering US-Africa relations a case study of Kenya. The findings of this study will be useful in recommending appropriate initiatives and every piece of information will be used for academic purposes only. The outcome will be made available through publication of a thesis for dissemination of findings. THANK YOU.

PART A; Demographic Information

1. What is your gender? Kindly tick in the spaces provided.

Male [] Female []

2. What is your age? Please tick the age bracket under which you fall.

20-29 [] 30-39 [] 40-49 [] 50-59 [] 60 and above []

3. What is your highest level of formal education? Kindly tick the appropriate box as indicated below.

Primary [] Secondary [] College [] University []

4. What is your profession

.....

PART B: the role of US-business community in fostering US-Africa relations

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Remarks
1						The US-business community has played an important role in fostering US-Africa relations, specifically in Kenya.
2						Do you agree that US-business community has fostered any change in US-Africa relations?
3						Do you think the US-business community has helped Kenya improve its economy
4						Do you think the presence of the US-business community in Kenya has been of great importance to the state and the citizens?


PART C: Challenges Faced by the US-business Community in Fostering US-Africa Relations

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Remarks
1						With the existence of other economically potential states like China in Africa, do you think the US-business community will survive in Africa for the next ten years?
2						Kenya has not focused on bilateral relations with the USA only, it has made consideration for other states.
3						US-business community face notable challenges such as political or geopolitical and socio-cultural differences that impact business operations or decision-making process in Africa
4						Company's operations and expansion in Africa have been negatively impacted by the lack of access to safe and inexpensive electricity, reliable transportation systems, and digital infrastructure.

PART D: New Strategies of the US-business Community in Fostering US-Africa Relations


	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Remarks
1						The US-business community understands the new strategies useful in fostering US-Africa relations
2						Kenya and USA experience symbiotic relationship in terms of economic development
3						In terms of US-Africa relations in terms of business and economic opportunities, Kenya perceives a better position in the near future
4						Forming partnership with African businesses strengthen US-Africa relations and benefits both parties
5						There are main potential and difficulties posed by the new approaches used or contemplated to strengthen US-African relations

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