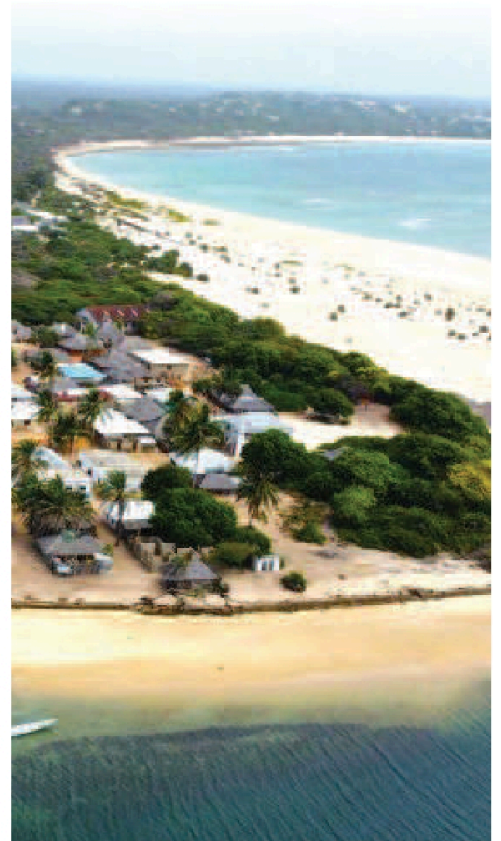
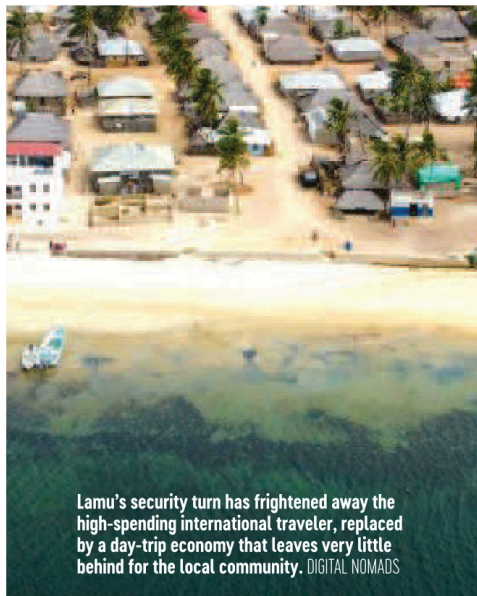


Lamu, the World's most expensive cul-de-sac



Nothing moves in Lamu without a title deed, and in the coastal town, those documents are historical fiction

by Edgar Mulei
@PeopleDailyKc

If you want to witness the most expensive game of Waiting for Godot in modern economics, take a boat to Manda Bay. As of today, the Port of Lamu is technically, officially, and loudly fully operational. Transport CS Davis Chirchir recently stood on the berths to celebrate three cargo ships offloading simultaneously, a “powerful signal,” he called it. But don’t look at the ships, look at the roads leading away from them.

Lamu is currently a Ksh500 billion deep-sea gateway connected to a hinterland by what is essentially a high-security dirt track. It is the world’s most sophisticated cul-de-sac. While the Lamu Port-South Sudan-Ethiopia Transport (LAPSSET) corridor vision promised to redraw the map of East Africa, the current reality is a Security Turn. Connectivity is no longer being governed by trade economists but by counter-insurgency logic.

Security surcharge

The Lead Domino for County Lamu isn’t a new factory; it is the High-Security

Corridor. Every container that leaves Lamu Port carries a Security Surcharge that isn’t on any official invoice. It’s the cost of armored escorts, the delay of military checkpoints, and the psychological risk premium that keeps major shipping lines anchored in Mombasa.

This is a case of Negative Supply Shock. We have built the capacity, but we have restricted the flow. Until the Lamu-Ijara-Garissa road is not just paved but pacified, the Port of Lamu remains a strategic asset for the military, not an economic engine for the mwananchi. Construction is moving from two fronts, Lamu and Garissa, but only around 30 kilometers are at bitumen standard. At this rate, the corridor is more of a crawl-space.

Ksh290 million pinhole

Let’s look at the county’s own internal plumbing. For the 2025/2026 Financial Year, Lamu’s budget is a modest Ksh4.5 billion. But here is the kicker: their Own-Source Revenue target is a mere Ksh290 million.

Think about that ratio. We have a multi-billion dollar international port sitting in a county that only expects to collect Ksh290 million from

its own economy. That is a 94 per cent dependency rate on the National Treasury. The wealth of the LAPSSET corridor is flowing over Lamu, not through it. The county is like a man sitting on a gold mine who is waiting for a neighbor to bring him a loaf of bread.

Blue carbon mirage

There is much talk this year about the Go Blue project and Lamu’s pioneering County Spatial Plan. It is the first plan in Kenya to integrate land and sea. They are talking about Blue Carbon, selling carbon credits from the 30,000 hectares of mangroves in the Tana-Lamu complex.

On paper, it’s a green revolution. But look at the data: Lamu lost 5 per cent of its mangroves recently, largely due to LAPSSET construction and illegal harvesting. We are trying to sell Carbon Credits for a forest we are simultaneously bulldozing to build berths. It is the ultimate economic hypocrisy. You cannot capitalise on Life Below Water while your seagrass beds, the lungs of the ocean, have declined by 10 per cent near Pate Island.

Land-titling gridlock

Nothing moves in Lamu without a title deed, and in Lamu, title deeds are histori-

cal fiction. The National Land Commission is currently reviewing grants and dispositions to reclaim public land. In places like Wiyoni and the Shela Sand Dunes, the political elite have laid claim to the very water towers that sustain the archipelago.

This isn’t merely a legal issue but an existential one. If you cannot secure the land around the port, you cannot build the Resort Cities promised in the Vision 2030. Investors don’t put money into Historical Injustices. They put money into clear, undisputed coordinates. By failing to regularize land tenure in Mokowe and Hindi, the county is effectively blocking billions in private sector from following the government’s lead.

Agriculture disconnect

While we obsess over ships, the real engine of Lamu, Mpeketoni, is hitting a glass ceiling. Mpeketoni is the county’s food basket, yet it remains disconnected from the port it feeds. There is a bizarre Logistical Inversion happening here: it is cheaper for a ship in Lamu to buy produce from South Africa than to buy it from a farmer 40 kilometers away in Mpeketoni because the local last mile transport costs are so high.

The county’s Agriculture

Mechanization Services is one of its top five revenue earners, yet the investment back into this sector is negligible. We are taxing the farmers to pay the county clerks, rather than using the port’s proximity to turn Mpeketoni into a global export hub for cashews and cotton.

Ghost economy

Lamu Old Town is a UNESCO World Heritage site, but today, it is a site in decline. The Security Turn has frightened away the high-spending international traveler, replaced by a Day-Trip economy that leaves very little behind for the local community. The county’s revenue from tourism and business permits has been stagnant, with Single Business Permits showing a consistent struggle to grow.

Lamu is currently trying to pivot to Heritage Tourism, but you cannot sell heritage when the town’s waste management system is failing and the sand dunes, Lamu’s only source of fresh water, are being subdivided into private plots. We are killing the golden goose to build a larger cage for it. The county is now celebrating the 90 per cent completion of the Radiology Unit at Kiunga Health Centre. It is a revolutionary project for a remote border town. But here is the engineering reality: You are installing a high-tech radiology unit in a town that still struggles with basic electricity and clean water.

It is like putting a Ferrari engine in a wooden cart. We are obsessed with equipping hospitals to win political points, but we are failing at sustaining them. Without a reliable power grid and a localized supply chain for medical reagents, that radiology unit will be a Ksh100 million paperweight by 2028.

The verdict

Lamu is a county of Institutional Friction. It has the largest port, the most carbon-rich forests, and the most strategic border in the region. Yet, it remains one of the poorest counties in Kenya. The tragedy of Lamu is that the National Government sees a Port; the Military sees a Border; the International Community sees a Heritage Site. No one seems to see a County. Until the Security Turn is replaced by a Production Turn, until the road to Garissa is safe enough for a civilian truck and the land titles in Manda are clear enough for a local factory, Lamu will remain a Ksh500 billion ghost town. You cannot build a Blue Economy on the foundations of a Red Zone.

The writer is a mechanical engineer and co-founder at Humanity Amplified AI Inc.

Next week we explore Taita Taveta’s perpetually under-equipped health system that consumes 32 per cent of the county’s budget.