

New Chance for Kenya: U.S. Policy Should Help Make the Most of It

Jennifer Cooke and David Throup

Kenyan democracy took a giant step forward on December 27, 2002, when over 10 million voters cast their ballots in presidential, parliamentary, and civic elections that most observers agree were the most credible and competitive in Kenya's history. Emilio Mwai Kibaki, presidential candidate for the National Rainbow Coalition (NARC), an alliance of opposition groups, won a landslide victory over Uhuru Kenyatta, flagbearer of the Kenyan African National Union (KANU), which has ruled the country since its independence in 1963. Mr. Kibaki is Kenya's third president, succeeding President Daniel arap Moi who steps down after almost 25 years in power. The elections themselves are a powerful indication of growing democratic consolidation in Kenya and of the possibilities for democratic change in Africa, where peaceful transitions are rare. Further, the accession to power of a new political coalition represents an unprecedented and historic opportunity for fundamental change in Kenya and a chance, with the support of its external partners, to reverse the country's steep economic decline, strengthen democratic institutions, eliminate the scourge of corruption, decentralize political power, and move away from ethnically driven politics. That Kenya will do so is by no means assured.

The United States should seize this moment to invest both resources and high-level diplomatic attention in assisting Kenyans to take full advantage of this dramatic opportunity for change. Kenya's historic shift comes at a time that Kenya and its surrounding region have risen to renewed strategic prominence in the U.S.-Africa policy agenda, as the war on global terror intensifies and the prospect of a U.S. war on Iraq looms. At the same time, with considerably less fanfare or media attention, the U.S. bilateral relationship with Kenya has quietly become

among the most active and multidimensional in Africa, encompassing, in addition to counterterrorism, regional peacemaking and stability, humanitarian relief, enhanced trade through the Africa Growth and Opportunity Act, efforts to combat HIV/AIDS, and programs to bolster economic and political reform.

The U.S. diplomatic role during the most recent electoral phase was balanced and informed. The White House, senior State Department officials, and the U.S. embassy in Nairobi all communicated the same clear message to President Moi: first, he should not thwart a fair election process or peaceful transition, and second, if the elections were fair and peaceful, the United States would remain interested in continuing to work with Moi in his post-presidency, to promote peace in Sudan. The United States did not play favorites, and instead urged all parties to refrain from violence and ensure the credibility of the process. This strategy has left the United States well positioned to collaborate with Kenyans of all political stripes in the postelection phase.

Addressing U.S. regional security interests and at the same time helping consolidate Kenya's promising transition will require a sustained and high-level effort. These goals cannot be effectively achieved on the cheap nor by a lopsided emphasis on security cooperation. An effective strategy will require a strong and multifaceted U.S. partnership that encourages democracy and economic reform, moves forward on security dimensions, and is based on a partnership that engages civil society, marginalized communities, and Kenya's new generation of political leadership. Kenya is now poised to be a key test case in Africa for the Bush administration's new security strategy, for the logic of the \$5-billion Millennium Challenge Account, and for U.S. partnerships worldwide to battle terrorism and at the same time promote democratic norms, economic transparency, and market-based growth.

Expanded engagement with Kenya in the post-Moi phase

will draw strong bipartisan support from the U.S. Congress, if the Bush administration leads, and is an opening for strengthening congressional support for U.S. Africa policy. What is most important is that the administration act coherently and urgently now, in concert with other donor states and multilateral institutions, to take full advantage of this surprising moment of opportunity. The United States should not allow its policy toward Kenya to be dominated by the regional battle against Al Qaeda or the larger looming possibility of war against Iraq. A legitimate and popularly supported government and a strong and growing economy will be both Kenya's and the United States' best allies against terror and instability.

Momentum for Change

Kenyans have much to celebrate—voter turnout in the December elections was close to 60 percent, and the election process was generally free and fair, despite some reported voting irregularities and isolated incidents of violence. Predictions of widespread electoral mayhem, violence, and intimidation proved happily wrong. President Moi's final weeks in power and ultimate departure were remarkably gracious and statesmanlike—he apologized to Kenyans for any mistakes he had made during his tenure; pledged to continue to promote peace and stability in East Africa; and even visited his rival Mr. Kibaki in a London hospital in early December. At the new president's December 30 inauguration ceremony, President Moi praised Mr. Kibaki as “a man of courage and integrity,” telling the euphoric crowd gathered in Nairobi's Uhuru Park, “the Kenyan people have spoken....You are a credit to your country. You have demonstrated to the world that Africa can manage its own destiny without disruption.”

The election results vividly demonstrate Kenyans' hopes for change. Mr. Kibaki won 63 percent of the presidential vote, with Mr. Kenyatta running a distant second with 31 percent. Further, Kibaki's National Rainbow Coalition won an unexpectedly large majority in parliament—125 seats—while KANU won 56, Simeon Nyachae's Ford-People 14; Sisi Kwa Sisi and Safina 2; Ford-Asili and Shirikisho 1 seat each. NARC was victorious in Coast Province, traditionally considered a KANU stronghold, and virtually eradicated KANU in Western Province and in the Ukambani District in Eastern Province. And a number of KANU luminaries, including Kenyatta's

running mate Musalia Mudavadi and cabinet ministers Cyrus Jirongo, Julius Sunkuli, Shariff Nassir, and Katana Ngala, lost their parliamentary seats as well. On the other hand, outspoken activists like Koigi wa Wamwere, Wangari Maathai, Peter Anyang' Nyong'o, and Kivutha Kibwana, whom many previously considered too radical to be electable, won handily.

The mood for change in Kenya represents a momentous opportunity for the country's new presidential leadership, supported by a strong NARC majority in parliament, to effect fundamental change in Kenya and tackle the difficult issues—corruption, centralized authority, decay of democratic institutions and critical infrastructures—that have kept Kenya from realizing its economic and political potential. The NARC government has said that revitalizing Kenya's economy will be its first priority, pledging to fight corruption and increase efficiency and transparency in government.

New Leadership, New Strengths

President Kibaki may be well suited to revitalize Kenya's sluggish economic growth, which over the last decade has rarely risen over 1 percent. He is an experienced statesman and an economist by training, educated at Makerere University and the London School of Economics. Prior to quitting KANU and launching the opposition Democratic Party in 1991, he held a number of important portfolios (some concurrently) under both Presidents Kenyatta and Moi: he served 3 years as minister of economic planning; 13 years (1969–1982) as minister of finance, presiding over Kenya's economic boom in the 1970s; 6 years as minister of home affairs; 4 years as minister of health; and 10 years as Mr. Moi's vice president (1978–1988).

The Democratic Party, which Kibaki has led for the past 11 years, is ideologically the most economically conservative of Kenya's parties, advocating a free market, economic liberalization, and further privatization. Kibaki has said that he will place particular emphasis on attracting much-needed foreign direct investment to Kenya, which because of the country's reputation for corruption and crime has fallen dramatically in the last decade. Upon taking office, the new president announced that as a first step toward eliminating a culture of corruption, ministers and civil servants would be required to declare their wealth. And shortly thereafter the Kenyan

president named John Githongo, dynamic and outspoken former executive director of Transparency International–Kenya, as his “anticorruption czar.” The notoriously corrupt police force and land management and allocation bureaucracy have been singled out as early targets for investigation and cleanup. The donor community has welcomed the new climate, and negotiations with the IMF have already begun, focusing on a resumption of funding flows that were halted because of President Moi’s failure to effectively curb corruption.

Unlike his predecessor, Mr. Kibaki’s demeanor is neither domineering nor particularly egotistical. Although some observers claim that he may lack the charisma necessary to lead Kenya, his demeanor may in fact prove to be an asset in managing the large and eclectic NARC coalition and in setting a new tone of results-oriented pragmatism and consensus building. Mr. Kibaki has declared that he will only serve one term in office and does not appear intent on becoming a new Kenyan “big man.” “The era of roadside policy declarations is gone,” said Kibaki in his inauguration speech. “My government’s decisions will be guided by teamwork and consultations.” He has pledged to base his cabinet appointments on merit and hard work and claimed that he would “not be a president whose job is to bully others,” but would give his “officials room to perform their duties.”

Kenya has no lack of professional and political talent on which Mr. Kibaki can draw. A promising cadre of energetic, well-educated, and reform-minded technocrats, which cuts across political parties, has emerged on the Kenyan political scene in recent years. NARC would do well to take advantage of this younger generation’s energy and vision, something that the KANU government under President Moi was reluctant to do. Similarly, civil society has changed dramatically in the last decade, becoming more robust and pluralistic, spreading beyond major urban centers to include rural communities and diverse economic and political interests. Business groups too have been increasingly willing to communicate their interests to elected officials and to work cooperatively with parliament, especially with the issue-oriented ministerial standing committees. The NARC government appears amenable to engaging civil society and business interests in a constructive rather than confrontational way. Kenya’s press and electronic media are outspoken, generally professional, and not shy about criticizing questionable practices or policies—they could prove an additional asset in rooting out endemic corruption.

Finally, the Kibaki government will likely be well disposed to working with the international community and with the United States, even more so, perhaps than its predecessor. In general, the NARC government is likely to be more cosmopolitan in its outlook and less parochial and suspicious of Western motives than former President Moi and his coterie: many NARC members (or their children) were educated West, a significant proportion receiving advanced degrees.

Daunting Challenges, Tough Choices, and High Expectations

Kenyans’ elation over the successful election and new political dispensation is well warranted. But despite a successful launch, the new government will have a difficult road ahead. The complexity and depth of Kenya’s economic and political problems, the nature of the NARC ruling coalition, and the impossibly high expectations that many Kenyans have for the new government will pose formidable challenges in the coming years.

Kenya’s economy has spiraled steadily downward over the last 10 years, exacerbated by natural disasters and rampant corruption. Agriculture, the mainstay of the Kenyan economy, was badly hit by the 2000 drought, and agricultural growth in real terms has been negative for almost all of the last decade. The road system is in disrepair, and although the Treasury has allocated funds to upgrade main highways and rural feeder roads, there have been few signs of new construction. Corruption remains widespread, reaching from low-level bureaucrats to grand corruption at the highest levels. Corruption has resulted in the collapse of several essential institutions—for example the National Produce and Cereals Board and the Kenya Cooperative Creameries, which once purchased and marketed key items of the peasant economy—and has been a major disincentive for critically needed foreign direct investment. Under President Moi, an anticorruption commission eventually folded and an anticorruption bill was rejected by opposition members of parliament for not going far enough and by KANU stalwarts for going too far. Senior politicians, both in NARC and in KANU, have been implicated in corruption scams, and NARC will almost certainly run up against powerful vested interests (both within its ranks and without) if it pursues an

aggressive anticorruption strategy.

Kenya faces other tough challenges as well, notably the deterioration of critical infrastructures like education and health. Among President Kibaki's campaign promises was to overhaul the education system and provide free primary education to all. Hospitals and health clinics have also deteriorated over the last decade, and at the same time HIV/AIDS has emerged as a severe public health crisis, with adult prevalence rates rising to 13 percent.

Crime in Kenya remains a serious problem and a deterrent for both tourism and potential external investment. Nairobi is ranked among the most insecure cities in the world, with car jacking, armed robberies, and street crime fueled by poverty, high rates of unemployment, and a proliferation of small arms from neighboring Somalia. Recent weeks have seen an upsurge in violent activity by the outlawed, quasi-religious Mungiki sect, highlighting the inefficacy of the country's law enforcement establishment. Outside urban centers, particularly in the largely unmonitored Northeast Province (which borders Somalia), banditry and cattle rustling remain rampant, with the Kalashnikov having replaced the spear as the weapon of choice.

Finally, Kenyans have twice borne the brunt of terrorist attacks that were not in the first instance directed at them: first, the August 1998 bombing of the U.S. embassy in Nairobi, in which over 200 Kenyans were killed and thousands wounded; and second, the November 2002 bombing of an Israeli hotel in Mombasa and the attempted downing of Israeli commercial airliner bound from Mombasa to Tel Aviv. Kenya's porous borders and coastline, the relative sophistication of its financial and communications infrastructures, and a large Western presence have made it an attractive target and transit point for illicit activities. Terror networks have evidently identified the country a soft but nonetheless significant target for strikes against Western interests. Beyond the immediate human tragedy of those killed and wounded, the attacks will likely have a negative impact on Kenya's tourist industry, an important source of employment and foreign exchange.

Kenya's entrenched economic and political problems present President Kibaki and NARC with a formidable array of challenges, but challenges from within the NARC coalition may prove equally daunting. NARC unites a slew of powerful individuals who bring to the coalition

both large constituency blocs and fierce political ambitions of their own. NARC is a merger of (1) the national Alliance Party of Kenya (NAK), a coalition of no less than 12 former opposition parties, and (2) the Liberal Democratic Party (LDP), itself an alliance of convenience between former members of the National Democratic Party (NDP) and KANU defectors.¹ Last year, former NDP leader Raila Odinga orchestrated a merger between his party and the KANU in the almost certain expectation of substantial political gain. Sidelined within KANU by "Project Uhuru," Odinga defected to the LDP, joining forces with NARC, bringing with him a large bloc of Luo NDP supporters and former KANU stalwarts, and arguably serving as a key force in holding NARC together. Odinga clearly had high expectations for his authority within the new government and was duly appointed by Kibaki to head the powerful Ministry of Roads, Public Works, and Housing. Others in the coalition may prove more difficult to appease, and the NARC's cohesion may begin to fray as appointments and lines of authority are doled out and resources reallocated. Already, some 25 NARC members of parliament, affiliated with the LDP, have accused President Kibaki of renegeing on an NAK-LDP memorandum of understanding on the allocation of cabinet posts. The NARC Women's Congress and the Kenya Women's Political Caucus have similarly lodged complaints about NARC's selection of nominated members of parliament. Continued internal jockeying among party VIPs and factions may distract and delay the new government from moving ahead with concrete policy initiatives.

Some KANU defectors have been politically compromised by association with the KANU regime: former vice president George Saitoti was deeply implicated in the 1993 Goldenberg scandal, which has never been brought to trial; and Maasai leader William ole Ntimama is accused of playing a prominent role in directing ethnic clashes against Kikuyu settlers in northern Narok in 1992–1993 and again in 1997. Many NARC members may be uncomfortable at best should the new government choose to prosecute economic or political crimes of the previous regime. The question of transitional justice and ending the culture of impunity will be extremely sensitive, and the new government will have to balance carefully competing long- and short-term

¹ For background on NARC's formation, see "Preview of Kenya's December 27 National Elections," *CSIS Africa Notes*, No. 12, December 2002.

interests.

Addressing constitutional reform will also likely impose serious tensions on the NARC coalition. The NARC leadership has pledged that the new constitution will be out by June 2003, but it is likely to take longer to come to agreement. A major review to overhaul the Kenyan constitution was completed in September 2002, when Yash Ghai, head of the Constitutional Review Commission announced a proposal to introduce full proportionality through a German-style additional member system and the transfer of major executive responsibilities from the president to a newly created prime minister. Full proportionality would most likely lead to a split between the NAK, which brings together the former opposition parties (DP, Ford-Kenya, National Party of Kenya, and many others) and the LDP. Further, some observers insist that President Kibaki did not wait 24 years to become president, only to hand over the bulk of his presidential powers to a prime minister. Constitutional reform could become a major stumbling block for the new government and delay effective action on the many other issues that the NARC government must tackle.

Kenyans will be impatient for results and will not happily brook delays. Postelection euphoria will provide a “honeymoon period” for the NARC to begin to get its house in order. But most Kenyans are in dire economic straits, and expectations for rapid change are extremely high. If NARC is unable to deliver, the coalition will face major divisive pressures both from without and within, and those pressure will sorely test the government’s commitment to democracy and transparency. With a solid majority in parliament, a NARC coalition that falters on that commitment could spell a return to Kenyan politics as usual.

U.S. Interests in a Successful Kenyan Transition

The United States has every interest in seeing Kenya succeed in consolidating democratic change and revitalizing its economy, both of which will serve long-standing U.S. interests in democracy and human rights and more recent strategic and security concerns.

During the Cold War, President Moi was considered a

staunch anti-Communist ally of the United States, and in the current context, Kenya has emerged once again as a reliable ally, identified as a key African strategic partner in President Bush’s September 2002 National Security Strategy. As one of the more stable countries in the Horn of Africa, Kenya will be an important partner to the recently established U.S. subregional command in neighboring Djibouti, where so far a large CIA contingent and 1,000 U.S. troops are stationed to attack terrorist cells in Yemen, prevent Al Qaeda operatives from fleeing to the Horn, and protect commercial and military sea-lanes. The United States recently renewed airbase, port access, and overflight agreements with the Kenyan government, and Secretary of Defense Donald Rumsfeld traveled to the region in early December to make a case for stronger security cooperation. Of \$20 million in supplemental funds authorized by the U.S. Congress in October to strengthen counterterrorist security in Africa, \$15 million was earmarked for Kenya. This attests to U.S. recognition not only of Kenya’s regional importance but also to the country’s acute vulnerability as a soft target and conduit for terrorist activities.

Kenya has played a key role in fostering regional stability in the Horn of Africa. Encouraging an end to Sudan’s 20-year war as been the single most important diplomatic initiative undertaken by the Bush administration in Africa, and Kenya has invested considerable resources and attention in supporting negotiations. As chair of the Intergovernmental Authority for Development (IGAD), President Moi, in collaboration U.S. special envoy to Sudan Jack Danforth and the U.S. State Department, has sponsored groundbreaking talks between the government of Sudan and the Sudan People’s Liberation Movement in Machakos, Kenya. The peace process will likely continue well into 2003 and will likely retain its importance on the U.S.-Africa policy agenda, as U.S. security activities in the Horn of Africa intensify. U.S. policymakers should make a special effort to ensure the continuity of high-level U.S.-Kenyan collaboration on Sudan.

Kenya has also led the IGAD initiative to bring peace to Somalia, assembling over 800 Somali delegates in the northwest town of Eldoret. As a collapsed state, Somalia has strong potential to become a breeding ground or hiding place for international terrorists, but few in the international community have been willing to invest attention or resources in rebuilding a semblance of a state there. The Kenyan conference is being attended by representatives of most of the Somali factions, excluding

those from Somaliland, and although it has threatened to collapse on numerous occasions, it represents the best prospects in over a decade for establishing a modicum of order and governance in Somalia.

Kenya has served, and will likely serve again, as an important humanitarian platform for U.S. assistance going to southern Sudan, Somalia, the Great Lakes region, and Ethiopia and Eritrea. The United States has a large presence in Kenya: the U.S. embassy and USAID mission are among the largest in Africa, and the Centers for Disease Control and Prevention have made an exceptional investment in public health in Kenya, particularly on HIV/AIDS.

Elements of an Enlarged U.S. Engagement

U.S. policymakers should recognize that this is a critical moment for Kenya, fraught with both opportunities and risks for the country's political and economic future and for regional stability. Given the breadth of U.S. interests, it is important to act upon existing opportunities and avoid narrowing the focus of U.S.-Kenya policy to military and security concerns. The United States should not allow enhanced security cooperation with Kenya to trump its commitment to human rights, democratization, and economic accountability. In fact, these interests are interrelated, and security concerns cannot be effectively addressed in a context of extreme poverty, economic uncertainty, and political exclusion.

U.S. engagement must be broad-based and multifaceted and should not be driven solely by the U.S. security establishment. Nonetheless, security cooperation will be a central concern for both Kenya and the United States. The United States should expand bilateral cooperation to strengthen seaport, airport, and border security, to help check illicit arms, drugs, and money flows, and to bolster intelligence gathering and law enforcement capability and accountability.

Kenya's commitment to fight international terrorism will remain strong under the new NARC leadership. Having been the target of two major attacks, most Kenyans have little sympathy for Al Qaeda or its associates. But the United States must approach enhanced security cooperation with sensitivity. The shared experience of the

August 1998 bombing of the U.S. embassy in Nairobi created a special psychological and political complexity to the bilateral relationship. Many Kenyans were angered by their compatriots' deaths in the 1998 embassy bombing and felt that innocent Kenyans died in a quarrel that did not really concern them. Many Kenyans were dismayed by the disparity in compensation given by the U.S. government to U.S. versus Kenyan victims and families, and lawsuits for additional assistance are outstanding. Muslim communities in Coast Province were offended by what they perceived to be heavy-handed investigations by both the Kenyan security forces and the U.S. Federal Bureau of Investigation.

The Mombasa bombing in 2002 did not evoke a similar response, partly because the number of casualties was much lower, but also because Kenya's attention was focused on the election. But it is likely that the Al Qaeda attack in Mombasa, like that in Bali earlier in 2002, was intended in part to chill Kenyan enthusiasm for continued partnership with the United States and demonstrate Al Qaeda's ability to strike in the Horn of Africa, where U.S. security engagement is expanding dramatically. Kenyans' sense of vulnerability will persist.

Kenyans would clearly resent being put in the front line of the war against terrorism, should there be a spate of other bombings or another catastrophe of the proportions of the embassy bombing. Equally, if Kenyans perceived that they were being drawn in to a conflict with Iraq or operations to eradicate Al Ittihad in Somalia (identified by the U.S. administration as a terrorist organization), many Kenyans, particularly in the Coast and Northeastern Provinces would have major reservations. And, beset by an array of pressing economic needs, Kenyans may be reluctant to spend massive amounts of money on strengthening border security and improving intelligence gathering. The United States should complement security cooperation with strong diplomatic outreach, particularly to Muslim and Somali communities in Kenya, and should be prepared to give substantial material and training resources to defray costs of increased counterterrorism efforts.

On the economic front, the new NARC government represents an important and unprecedented opportunity for change. U.S. policy should make every effort in the current honeymoon period to assist NARC in taking quick and decisive action on corruption and economic reform. The United States should work in concert with other

donors to coordinate dialogue with the new government and expedite agreement on a feasible and dynamic way forward. Donors could also assist in efforts, which Kibaki has said he will champion, to bolster trade and cooperation within the East African Community, a regional economic grouping including Kenya, Tanzania, and Uganda.

The IMF and World Bank should not hold the NARC regime responsible for the actions of the previous government and should engage quickly with the Kibaki government to negotiate a resumption of funding flows and debt restructuring, based on the priorities of the new Kenyan government. At the same time, the international financial institutions (IFIs) should not lower their standards for concrete anticorruption measures. Rather, they should negotiate—in close consultation with the Kenyan executive and parliament and with ample input from civil society—reasonable, achievable, and consensus-based benchmarks for progress. If, after an appropriate time period, the NARC government appears to be faltering in its efforts and commitment to curb corruption, the IFIs should restrict funding accordingly: resumed funding will serve little purpose if adequate anticorruption measures are not in place.

The United States should consider boosting bilateral assistance to the Kenyan government, particularly in those areas, such as education and health, that Kenyans and the NARC government have identified as a priority and that fit well with stated U.S. policy priorities. In this regard, U.S. policymakers could initiate dialogue to lay out how Kenya might become among the first beneficiaries of the Millennium Challenge Account (MCA). This dialogue need not wait until the MCA's criteria and institutional arrangements are finalized. A high-level exchange can begin now, in Nairobi and Washington, and resources from existing bilateral channels can be identified now and put toward pilot projects in, for example, education and health. Such an exchange will require special focus that demonstrates concrete returns across several sectors and overcomes potential roadblocks through joint high-level interventions. A successful reform movement in Kenya and quick returns from MCA assistance funds could serve as a powerful incentive for other would-be African reformers.

The United States can also offer technical assistance and training to bolster critical public institutions: the judiciary,

law enforcement, the National Assembly, and budgeting and accounting processes. At the same time, U.S. policymakers should remain engaged in strengthening and broadening civil society and seeking ways to foster constructive collaboration between government, opposition, civil society, and the broader Kenyan population. A special effort should be made to reach out diplomatically to—and solicit perspectives from—coastal populations around Mombasa and those not adequately represented in civil society. Numbers of U.S. military and security personnel in Kenya and the Horn will likely grow in coming months as U.S. efforts to combat terrorism and possibly launch an operation against Iraq intensify. This very visible military presence should be matched by diplomatic outreach and engagement on the many other issues, besides security, with which the Kenyan people will need to grapple.

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