KENYA: RECENT HISTORY AND CURRENT DEVELOPMENTS.

In early August the attempted coup in Nairobi destroyed the image of political stability in Kenya. Kenya, long seen as the bastion of capitalist stability in Africa is beset with major political, economic and social problems. This Brief Report deals with recent developments in Kenya and is divided into:

1) Background, Information and Statistics.
2) Political Background.
3) Economic Developments.
4) Foreign Policy.
5) An Assessment.

1. BACKGROUND INFORMATION AND STATISTICS

Political Status: Formerly a British Colony, gained Independence on 12 December 1963, (after the Mau-Mau insurrection between 1952 and 1959), under the leadership of Jomo Kenyatta.

Present Ruling Party: The Kenya African National Union (KANU) - Since 1969 there has, in all practical senses, been only one political party.

Head of State: President Daniel arap Moi.

Form of Government: The President holds executive power, assisted by his appointees of one Vice-President and the Cabinet chosen from the legislative organ, the National Assembly. The single chambered National Assembly consists of 158 members elected by universal adult suffrage, 12 Presidential nominees, an appointed Speaker and Attorney-General. The Assembly has a 5 year term.

Population: 15,32 million (1979) census; rate of growth 4,1 percent (July 1982).

Languages: English and Swahili (official); Kikuyu, Luo, Kambe.

Currency: 20 Ks = 1 Kenya Pound (KE), 9.2 Kenya shillings (Ks) = R1.


Exports: Coffee, tea, sisal, hides and skins, cement, meat and meat products, pyrethrum, soda ash, wattle extract.

Imports: Industrial and electric machinery, crude petroleum products, motor vehicles and chassis, iron and steel, agricultural machinery and tractors, pharmaceuticals, fertilisers, cotton and synthetic fabrics, and food, including live animals.
Trade Balance:

EXTERNAL TRADE (K £ '000)

<table>
<thead>
<tr>
<th>Year</th>
<th>Imports</th>
<th>Exports</th>
</tr>
</thead>
<tbody>
<tr>
<td>1974</td>
<td>382 934</td>
<td>211 282</td>
</tr>
<tr>
<td>1975</td>
<td>362 874</td>
<td>215 175</td>
</tr>
<tr>
<td>1976</td>
<td>406 996</td>
<td>318 656</td>
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<tr>
<td>1977</td>
<td>531 446</td>
<td>480 529</td>
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<tr>
<td>1978</td>
<td>661 650</td>
<td>369 965</td>
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2. POLITICAL BACKGROUND

Seasoned Kenya watchers argued that, following Jomo Kenyatta's death, the country would face deep political unrest. However, when Mzee died on 22 August, 1978, there was no visible turmoil, and no sudden deviation from the politics he had forged. The transition of power to Vice President Daniel arap Moi was smooth, despite the fact that Moi was from the minority Kalenjin tribe.

While claiming that he would follow in the footsteps of Kenyatta, Moi immediately instituted a far-reaching programme aimed at cleaning up the bureaucracy and routing out malpractice in large government corporations and parastatals. In this process, several senior officials and prominent policemen lost their jobs.

In December, 1978, as part of a 'liberalisation' policy Moi released a number of political prisoners.

In 1979, elections for the National Assembly and the Presidency were held, and Moi is thought to have consolidated his personal position. While he was the sole candidate in the Presidential Election, the Assembly elections produced conflicting results which have come to affect recent developments. In the elections, some 740 candidates contested the 158 seats. However, many long-standing Kenyan African National Union (KANU) members, including members of the Cabinet, were not returned. While this was significant, the elections themselves were of dubious legitimacy since a number of leading public figures - including Oginga Odinga (Vice President, 1964 - 1966) - were barred from participation in the elections.

Then in 1980, Charles Njonjo, the Attorney General, resigned and won a by-election which put this influential figure back into mainstream KANU politics. In June, Moi appointed Njonjo Minister of Home and Constitutional Affairs, elevating him to the top three in KANU affairs, after Moi himself and Vice President, Mwai Kibaki.

The widespread popular support for Odinga was still, however, a factor in Kenyan politics and, in early 1981, his ban was lifted by KANU, and he was granted life membership of the Party. Despite this change in his fortunes, Odinga did not stop criticising the Moi government and KANU.

In an attempt to put his own political stamp on the country, Moi placed proteges in positions of influence. This action, plus fairly wide-ranging other initiatives, gradually lost Moi the support of the Middle Class. This alienation was heightened when anti-Government academics and newspaper editors were
dismissed or banned. By 1981, the Moi government looked as if it might invoke even more authoritarian measures to silence its critics.

Meanwhile, Moi continued a quest to find a satisfactory ruling formula, and in February 1981, he reshuffled his Cabinet. At the time, experts noted that the moves might be aimed at trying to control a deteriorating economic situation. When the new Cabinet emerged, it was clear that the influence of the most powerful men in the country had been strengthened. Vice President Kibaki, was moved from Finance to Home Affairs. Njonjo, while losing Home Affairs, retained the influential Constitutional Affairs portfolio. Observers viewing these developments, saw these shifts as part of a rivalry between Njonjo and the Vice President. (Both men are members of the Kikuyu tribe, but are from different clans). In the opinion of observers, this rivalry distracted the Moi Government from tackling the serious economic problems facing the country.

Then in March 1982, the Odinga factor was raised again. Odinga had effectively continued his campaign against the Moi administration, particularly during a lecture tour to Britain. He also announced plans to form a new political party. To these events, KANU reacted swiftly in May this year. At a meeting of its Governing Council, Odinga and his "follower", George Anyona, a former M.P., were expelled for working against the Party. Moi announced his intention to form a One-Party state.

While these events continued to unfold, the Government launched a security crackdown, arresting many people, including Anyona and six University and College lecturers, detaining them without trial. Moi went as far as identifying the University as the centre of ideological opposition to the Government.

Then in June, Moi announced that the government had uncovered a plot whereby unnamed neighbouring states had undertaken to arm Kenya's students for an insurrection. The complicity of students in alleged efforts to overthrow the Moi government is unknown, although University students emerged as prominent supporters of the Air Force which led the attempted coup.

More recently, an hysterical tone emerged from debates in the National Assembly, symptomatic, perhaps, of the underlying political uncertainty. Then, a fortnight ago, the Editor of The Standard, a Nairobi daily, published a scathing attack on the Government. The newspaper's proprietors (of which Irunho was one) dismissed George Githii as Editor, and published a repudiation of the original attack. This set the immediate backdrop to the coup attempt.

3. RECENT ECONOMIC DEVELOPMENTS

Kenya, long considered one of Africa's economic success stories, has experienced serious economic setbacks for the past two years. Owing to international economic conditions, particularly depressed prices for her main exports, Kenya's terms of trade have continued to deteriorate. To control this, the Government placed restrictions on foreign exchange purchases and, in 1981, devalued the Kenyan shilling.

This faltering international profile was also affected by severe drought conditions in the country, which caused a 1.3% decline in real output in agriculture. This decline affected a far deeper malaise in the country's capacity to feed itself. For 20 years, Kenya has been self-sufficient in
food, but rapid population growth and increased pressure on arable land, has ended this. In 1980 and 1981, for example, large amounts of maize, wheat and milk were imported. (In these years some 130,000 tons of maize came from South Africa). One commodity, grain, shows the country's changing agricultural fortunes: two years ago, Kenya exported grain, in 1981 she spent US $200-million on grain imports.

The country's manufacturing sector has also shown a serious decline in growth: in 1969 it was 7.1% and in 1980, 4.6%. Construction and building has also shown a drop in growth rate from 7.5% (1979) to 0.9% (1980).

These declining figures are a far cry from the average GDP growth rate (annually) of 6.5% in the years, 1961 to 1973. Similarly, per capita income increased by 30% in the same period. The only industry to show a positive growth rate was Tourism which, in the year 1979 to 1980, grew by 33%.

The country's foreign reserves have also fallen from KE183-million in June, 1981, to KE138-million in October. This holding was the lowest since December 1976. To complete this pessimistic picture, inflation is presently running at 20% per annum and unemployment, already high, is climbing.

4. FOREIGN POLICY

Recent African turbulence has set Kenya in one of the most troubled regions of the world. To the north-east as recently as 1977/78, Ethiopia and Somalia fought a war which, in part entrenched Soviet/Cuban influence in the area, and consolidated a regional arms build-up. Then in November 1978, tension was raised on Kenya's southern flank when Tanzania invaded Uganda, in the successful effort to overturn Idi Amin. (The unstable situation in Uganda continues to spill over into the region as nascent tension).

To this turbulence, Kenya has responded in a measured, pro-Western fashion. She embarked on a defence expenditure programme thought to be in the region of U.S. $500-million. Some of the financing of this is from foreign credits and the hard-ware involves British equipment (tanks, missiles and fighter planes), and U.S. equipment (aircraft and helicopters). Reports indicate that Washington has encouraged the arms build-up in Kenya to counter what is seen to be a burgeoning Soviet involvement in the region.

There are harbour facilities at Mombasa to accommodate large U.S. nuclear ships such as the "Nimitz" and "Constellation", and airport runways have been lengthened to accommodate U.S. military transport planes. In this fashion, Kenya has become a factor in the military equation in both East Africa and the Indian Ocean. In essence she is now being regarded as a minor military satellite of the West.

Kenyan relations with her neighbour Somalia have improved because Saudi Arabia and the U.S. have intervened in an effort to heal the rift between Nairobi and Mogadishu. After the 1981 OAU summit there were signs of real change in the relationship between the two countries. Presidents Moi and Barre called for co-operation at all levels, and soon thereafter President Barre made it clear on a number of occasions that his country's claims to the north eastern province of Kenya had been dropped.
Relations between Kenya and socialist Tanzania have been under severe strain since the break-up of the East African Community (EAC) in 1977. The border closure between Tanzania and Kenya followed soon after, and the economic situation in Tanzania together with ideological differences, exacerbated the already strained relations between Nairobi and Dar-es-Salaam. Leftwing opposition in Kenya has often been perceived to have links with the Tanzanian government of Julius Nyerere.

As chairman of the OAU in 1981/1982, President Moi issued a flow of pronouncements on Africa, Commonwealth and North-South issues. The dispute in the Western Sahara between Morocco, Mauritania and recognition of the Polisario (the Western Sahara Liberation Movement), and the dispute over Chad, all these vexing issues have clouded Moi's Chairmanship of the OAU. However, he is thought to have performed his OAU duties with dignity and has increased his prestige on the continent.

AN ASSESSMENT

It is clear that President Moi inherited a regime from Jomo Kenyatta which was corrupt and favoured the Kikuyu tribe. In fact, the situation in Kenya was further complicated by tribal rivalries and vendettas, and Moi tried to weaken the influence of tribalism in Kenyan politics. He took office during an economic recession and scapegoats were being sought by the government for its economic and political problems.

It is unclear who led the rebel forces in the abortive coup; one knows that they were from the Embakasi Air Force Base and nearly the whole Air Force have been under arrest. It is thought that the attempt will strengthen the group led by Charles Njonjo, for he has advocated stronger government action against dissidents. Economically it will cost Kenya millions of shillings and will create further economic hardships. It may further increase the dependence of Kenya on the U.S., both economically and militarily. On the other hand, the recent political detentions, the corruption and the government's apparent inability to control events, as well as the coup attempt itself, could frighten foreign investors, leading to serious long-term effects.

Furthermore, it may result in a decline in tourism; inflation will climb and shortage of consumer items will increase. The Asian population may flee since their homes and businesses were targets of looters during the upheavals.

Finally, the smooth constitutional succession to Jomo Kenyatta gave Moi's presidency an auspicious start, but it has become evident that the economic and political pressures created a dangerous situation in the last two years, which came to a head in the form of the attempted coup d'etat.

AUGUST 1982.

Jan Smuts House.