



AFRI CAPROGRAM

occasional paper series

From Moi to Kibaki: An Assessment of the Kenyan Transition

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An Introduction from Howard Wolpe:

As the new Director of the Woodrow Wilson International Center's Africa Program, I am pleased to present the first of a series of "occasional papers" of interest to those concerned with Africa, and with American policy toward Africa. "From Moi to Kibaki: An Assessment of the Kenyan Transition" provides a remarkably clear and incisive analysis by one of the U.S. Foreign Service's most distinguished Africa specialists. We felt that Ambassador Johnnie Carson's public lecture deserved a wider audience, and was an ideal vehicle for the first of our series of occasional papers.

In my opinion Kenya is the most important country in East Africa. However, over much of the last decade and a half, Nairobi has not received a great deal of serious or sustained attention from senior American policymakers. Largely because of endemic corruption, serious human rights violations and a difficult transition to democratic rule in 1992, Kenya was treated very warily by American officials, a country to be quietly recognized and courted to achieve specific U.S. foreign policy objectives but not a country to be fully

embraced and brought into America's inner circle of new African partners.

Despite our sometimes tepid approach toward the government in Nairobi over the last 15 years, and our correct criticism of the government's human rights record, Kenya has been our most stable and reliable partner in the Greater Horn of Africa. More importantly, it has served as a regional platform for advancing important U.S. bilateral and multilateral interests.

Without the use of Kenya's airports and harbor in Mombasa, the United States would not have been able to provide famine relief to drought ravished Somalia between 1988 and 1993 nor massive emergency and humanitarian assistance to hundreds of thousands of Hutu refugees in the eastern Congo and western Tanzania after the Rwandan genocide of 1994. In addition, Kenya has been the principal base for Operation Lifeline Sudan, the UN run and US supported relief program that feeds thousands of people in war ravaged southern Sudan. On the political side, Kenya has been the principal mediator in the U.S. backed effort to find a peaceful solution to the twenty-year-old conflict in southern Sudan, the leader in the effort to stop illegal cross border arms





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trafficking in the region, and the facilitator of the only meaningful peace talks among Somalia's disputatious warlords. All of these are initiatives that we have endorsed or supported.

But recently, things have started to change in Kenya. Kenya's very successful parliamentary and presidential elections of December 2002 have opened the door for a new government and a new era in that country. While challenges for Kenya remain as the country's new president, Mwai Kibaki, works to promote major reforms in his nation, the US also faces challenges as it seeks to maintain its important interests in Kenya, namely the political, military and intelligence relationships we have built up over many years. Today I would like to review President Kibaki's first six months in office, discuss the economic and political challenges Kenya will face over the next 12 to 18 months, and outline the challenges for the US as we seek to work with Kenya's new leaders.

Election Outcome

When I went out to Kenya in the late summer of 1999, in the aftermath of the tragic 1998 bombing of our Embassy, in the twenty-first year of President Moi's long tenure and in the ninth year of Kenya's steep economic decline, I had every reason to be pessimistic about my assignment and about Kenya's future. Almost everyone I encountered warned me that my tenure would be enor-

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mously difficult, that Kenya's national elections would not be held on time, that President Moi would not leave office at the end of his second five year term, that the completion of Kenya's new constitution would disrupt the election timetable and that the ensuing political and constitutional

struggles would result in wide spread violence. None of these events occurred and all of those who predicted the end of the world in Kenya have been proven dramatically wrong.

Today, Kenya is clearly far better off than it was four years ago, and the level of optimism throughout the country is probably greater than it has been in the last ten or fifteen years.

All of us who are a part of the democratic community should applaud Kenya for its recent political accomplishments. The presidential and parliamentary elections that took place on December 27, 2002 and the successful transfer of power that occurred at Uhuru Park on December 30 were a remarkable success.

One does not have to look far to recognize the significance of Kenya's democratic achievement. In the last two years, a half dozen African states have held major elections. In almost every case, those elections have gone badly wrong. In Zimbabwe, Zambia, Madagascar, the Ivory Coast and Liberia, governments are all struggling to repair or cover up the divisions and deficiencies that have resulted from flawed electoral and political processes.

In marked contrast, Kenya's elections were a model for Africa. They were peaceful, fair and transparent, and they were carried out according to the country's constitution. Kenya's political leaders demonstrated an impressive degree of political maturity, and the military—despite rumors that they might—did not interfere in the process. And on December 30, in a ceremony watched by a half million Kenyans, one democratically elected president gave way to another.

The First Six Months

In his first six months in office, President Kibaki has earned widespread praise for his selection of senior government officials and his commitment to implementing some of his most significant election promises.

Addressing one of Kenya's problems, President Kibaki has launched a serious attack on the culture of corruption that has given Kenya a bad name internationally and undermined the country's relations with the World Bank, the IMF and other major development partners. The president's decision to appoint John Githongo, the widely respected local director of Transparency International, to fill a new senior position responsible for ethics and government integrity was a stroke of political genius and a clear signal that Kibaki was serious about his stand against corruption.

In another bold move President Kibaki has also taken aim at Kenya's feeble and corrupt judiciary. Within days of assuming office, he created a new ministry of Justice and Constitutional Affairs and forced the resignation of former Chief Justice Bernard Chunga. Justice Chunga was widely regarded as ineffective, corrupt and easily influenced by officials in President Moi's government. Although much remains to be done to clean up Kenya's court system, the purge at the top removes a previously encrusted and cancerous bottleneck in the legal and judicial process.

President Kibaki has also acted wisely in the selection of his cabinet members, especially those filling the most critical positions. Given Kenya's economic situation, the Minister of Finance is arguably the most important cabinet post in the government. In selecting David Muraria to take the job, Kibaki chose someone with strong credentials and a spotless record—and someone who would be able to win the confidence of the international financial institutions and the overseas business community. President Kibaki's appointments in Industry, Home Affairs, Development Planning, Education, and Environment have all been above average. He has also brought on board a number of young, well educated, first time ministers like Raphael Tuju, Najib Balala, and Dr. Mukisa Kituyi, who are likely to move ahead rapidly in the years to come.

President Kibaki has also won instantaneous goodwill throughout Kenya by following through on one of his most widely publicized campaign pledges. During the run-up to the election, Kibaki promised to provide free primary school education to every Kenyan child if his coalition triumphed at the polls. Although he sig-

nificantly underestimated the number of children who would seek out primary school education and the amount it would cost the government, he did not retreat from his pledge. In his first major

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policy decision after he was sworn in, Kibaki eliminated all school fees for primary school children, a decision that continues to resonate well around the country.

Finally, Kibaki—in another politically popular move—elevated the status of women by appointing over a dozen prominent female politicians to cabinet and sub-cabinet positions. Although former President Daniel arap Moi occasionally gave lip service to the importance of women in society, during his last six years in office he did not have any women in his cabinet and only two female assistant ministers.

Post Election Challenges To The New Government

Although the new Kenyan Government is off to an excellent start and deserves our greatest admiration and strongest support, it does face a number of very significant challenges, challenges that could derail its reform effort, undermine its credibility at home and abroad and possibly fracture the fragile coalition that brought it to victory.

Although there are probably more, I think the Kenyan government faces six major challenges.

Kibaki's Health

The first challenge centers on the president himself and the current state of his health. On December 3, three weeks before last year's national elections, President Kibaki was injured in a car accident. He sustained a broken right arm and a severe dislocation of his right foot and ankle. Kibaki was flown to London for additional medical treatment and returned to a hero's welcome on December 14. Since assuming power,

President Kibaki has had to return to the hospital twice to be treated for blood clots and possibly deep vein thrombosis brought on by the long period of inactivity resulting from these injuries. Although Kibaki has resumed a nearly full schedule of domestic and international activities, some concerns about his health linger. The sudden and unexpected death last month of Kenya's Vice President Michael Wamalwa has caused some local political commentators to raise even more questions about the president's health. Given Kenya's regional importance and the role it plays in conflict resolution both in Sudan and Somalia, the country needs a strong, visible and effective President capable of engaging on all the issues that face the country.

Delays and Conflicts in the Constitutional Reform Process

The second challenge concerns Kenya's constitutional review process.

The debate over whether Kenya should go into the last presidential and parliamentary elections under the existing constitution or a new constitution nearly provoked a political crisis that could have derailed and scuttled last year's very successful elections. Although political leaders skillfully avoided that crisis, a new one is clearly evolving. The government that came to power in December 2002 pledged that it would make the constitutional review process one of its top priorities and that a new constitution would be completed within six months. However, as a result of the magnitude of the victory the political center of gravity around the review changed dramatically and the constitutional process has now slowed down considerably. There is no doubt that Kenya would benefit from some constitutional changes, but the members of President Kibaki's coalition are now deeply divided over whether a new constitution needs to be rushed through and whether the new constitution should re-align the division of labor within the executive branch. Having won the presidency, President Kibaki and his closest associates do not believe that presidential power should be dramatically cut and shifted into the

hands of a new and powerful prime minister who could challenge or dominate a weakened presidency. Factions within the government coalition are increasingly polarized on this issue. If there is no progress on the completion of a new constitution by the end of 2003 or the first half of 2004, the constitutional stalemate could precipitate a political crisis.

Financial and Budgetary Shortfalls

The third challenge concerns the government's budget and financial shortfalls. Kenya's economy has been in serious decline for the last decade. Between 1990 and 1998, the economy was largely stagnant, expanding at less than two percent a year, clearly below the country's still relatively high population growth rate. Between 1998 and 2001, the economy contracted if population growth is factored into the numbers. Although the government has done a fairly decent job of managing its budget during this difficult period, its finances are now in very serious trouble. In the last two years, the absence of budgetary support from the World Bank and IMF was exacerbated by excessive preelection spending, some of it driven by corruption. The government now faces new demands on the public treasury generated by the decision to provide free primary education to all Kenyan children and the promise of free medical services to needy Kenyan families.

Today, there is a major current account deficit. This shortfall will increase domestic borrowing by the government leading to upward pressure on interest rates and a shortage of funds for private sector investment. The World Bank and IMF are expected to resume their budgetary support programs later this year, but the government's deficit could balloon even further if there is any serious delay in the resumption of the long-stalled International Financial Institutions program.

Moving the Anti-Corruption Agenda

The fourth challenge concerns corruption. Widespread and systematic corruption has always been a problem in Kenya. However, after over six

months in office, there is absolutely no doubt that the current government is committed to fighting corruption and improving the country's image. The appointment of a senior anti-corruption czar, the removal of a corrupt chief justice and the passage of two importance pieces of anti-corruption legislation reflect this commitment. Nevertheless, to prevent future corruption, Kenya will have to prosecute those who have stolen government funds, an achievement which has eluded previous governments. Over the last decade, Kenya's current Attorney General has never successfully prosecuted or won a conviction against any high level government official. To cement the government's anticorruption campaign, corrupt officials must be convicted and jailed or made to turn over their illegally acquired wealth.

Security: Another Blast

The fifth challenge concerns security. President Kibaki's new government must pay significantly greater attention to the issue of security. In the last four years, Kenya has been the victim of two major international terrorist attacks. On August 7, 1998, the American Embassy in downtown Nairobi was destroyed by a terrorist bomb. That explosion had a chilling impact on Kenya's image and segments of its economy. Many thought that type of sophisticated and well-coordinated attack would never happen again in Kenya. But on November 28, 2002, international terrorists carried out an equally daring and sophisticated attack—firing two shoulder launched surface to air missiles at a fully loaded Israeli civilian airplane and successfully detonating a car bomb in the lobby of the Paradise Hotel.

This event was a wakeup call for Kenya, East Africa and the entire international community. The preliminary investigation of that bombing confirmed a great deal that many experts had suspected: that Al Qaeda has at least one or two active cells in Kenya; that the perpetrators of the Mombasa attack were also involved in the attack on the American Embassy in August of 1998; that the members of the cell are Kenyans; and that the Kenya cells are a part of Al Qaeda's larger global network.

These cells remain active and are probably planning more mass casualty attacks in Kenya. Kenya can ill afford another terrorist event on its soil. Such an incident would damage Kenya's economy, undermine the country's image, and call into question the government's ability to provide adequate security for visitors and citizens.

Kenya has taken a strong public stand against terrorism, but it must continue to act aggressively and proactively in going after the terrorists and those in the population who shield them.

Managing Coalition Cohesion

The last challenge that President Kibaki faces is managing coalition cohesion. The current government is not a homogeneous and unified political body. It is a coalition of political forces representing a broad range of political and regional views. By my count, the current coalition government consists of at least four major political blocks and 10 lesser political groupings.

The leaders of these parties closed ranks to defeat KANU, erase the legacy of former President Moi and bring change to State House and to the country.

Six months into the new administration, some of the personal rivalries and suspicions that existed before the election have resurfaced. Serious differences have emerged between the DP wing of the new government and NDP/LDP faction over the conclusion of the constitutional review process, the sharing of ministerial positions among the various political parties, the selection of a new Speaker of Parliament, and the exclusion of Raila Odinga and members of his party from various coalition and parliamentary leadership positions. As tensions and frustrations grow, the prospects of the coalition splintering also increase. Significantly more attention will have to be paid to keeping the coalition together in the days and weeks ahead. Should the coalition split, it could generate political instability, realignments in the parliament and perhaps early elections. All of this will generate political uncertainty and set back both the reform process and renewed economic recovery.

Challenges For The United States

Kenya is changing and as it evolves and becomes more democratic, the United States also faces a number of serious challenges in maintaining its pre-existing strong relationship with Kenya. Failure to meet these challenges could undermine the residual confidence and friendship that Kenyan leaders have shown the United States and the political and military ties that have helped advance US policy objectives in the region.

Don't Take Kenya For Granted

First, it is important that the United Sates not take Kenya's friendship and partnership for granted. The United States must nurture its relationship with Kenya. With a new democratic government in power, a vibrant civil society, a strong political opposition and a sophisticated media, Kenyans will no longer quickly follow our lead and accept our views with the same unquestioned loyalty and support of previous years. Kenya's newly elected government will have to work hard to bring political leaders and public opinion into line with the country's traditionally strong pro-American policies. And we will have to work even harder to convince Kenyans and the Kenyan government about the rightness and efficacy of those policies.

We should do everything we can to support Kenya's new democratic government, to demonstrate our support for the country's democratic process and the shared goals we hold.

Democracy Dividend Is Needed

Second, Kenya deserves a democracy dividend because of the enormous success of its December 2002 elections. In the past few years, a half dozen states in sub-Saharan Africa have held national elections. With only one or two exceptions, most of those elections have been deeply flawed and have in several instances plunged their countries into deep and sustained political crises. As a friend and partner, Kenya's democratic success should be rewarded with additional development assistance, not less. We should do everything we can to support Kenya's new democratic government, to demonstrate our support for the country's democratic process and the shared goals we hold. A democracy dividend, which can take many forms, appears well justified at this time.

Anti-terrorism Assistance Should Flow Faster

Third, we need to follow through in a timelier and more appropriate manner on our pledges of assistance to help Kenya in its battle to fight international terrorism. Since the August 1998 bombing of the American embassy in Nairobi by al Qaeda terrorist, Kenya has been on the front lines of the global war on terrorism. Immediately following 9/11 and in recognition of Kenya's security needs, the U.S. announced and offered Kenya assistance in the field of anti-terrorism. Some key parts of that assistance have been very slow to arrive. As we continue to encourage the government to improve its security and to work with it on combating global terrorism, we must deliver on what we promise, or run the risk of undermining our credibility and support in an area of great concern.

Creative Economic Packages

Fourth, we need to be more creative in helping Kenya to jump-start the revitalization of its economy. It is important that Kenya's economic growth go hand-in-hand with its resurgent democratic practices. Kenya's government has set some lofty economic goals—creation of 500,000 new jobs and 100,000 new or refurbished housing units—and stimulating foreign direct investment.

Given Kenya's importance, we need to reach deeper into our diplomatic and development tool kit to find ways to aid Kenya. Kenya should be a prime candidate for the millennium challenge account, and we should consider establishing a \$50-75 million investment fund exclusively for Kenya, along the lines of the funds we have sup-

ported for Hungary and Poland. We should use TDA funds more aggressively to stimulate large-scale direct investment in the housing sector, revamp the telecommunications sector and to expand industrial production. We should create a small U.S.-Kenyan trade council to explore other areas of bilateral cooperation in the economic and trade sectors and organize a series of highly focussed trade missions to stir interest in particular economic sectors.

The Bilateral Agenda Should Not Be Dominated By Terrorist Issues

Finally, we must not allow the issue of counter terrorism—despite its obvious importance to us all—to dominate or distort our overall agenda and relationship with Kenya. Although there are concerns in both Washington and London about how rapidly and effectively Kenya has responded to the terrorist threat that exists in the country, we must not lose sight of Kenya's overriding economic, political and military importance to the U.S. Making cooperation on security and counter terrorism a centerpiece of our relationship will distort and eventually sour our relationship.

Kenya's Prospects Remain Bright

Despite its multiple challenges, Kenya's prospects remain good. If Kenya can successfully reestablish its relationship with the IMF and the World Bank, it should be able to get the financial relief package and the international financial good house keeping seal of approval that will restore investor confidence, infuse more money into the economy and help restore business confidence at home and abroad.

Kenya has the ingredients to succeed. It has one of the strongest educational systems in Africa, with over sixteen universities and one of the highest rates of literacy on the continent. This has helped to create the largest non-oil and non-mineral based economy in sub-Saharan Africa and one of the most deeply rooted business and professional classes in Africa today—probably second only to Nigeria. There is no doubt that Kenya has the largest and most diversified economy in the region and with the success of the December 27 elections, it now has one of the strongest democracies in Africa.

If we in Washington (and other major western capitols) play our part by recognizing Kenya's political renewal, its on-going regional importance and its significant economic potential, we can help Kenya successfully overcome the challenges it faces. That, of course, is in our common interest.

The views presented here are those of the writer and do not represent the views of the Department of State or its Africa Bureau. Ambassador Johnnie Carson is currently Senior Vice President at the National Defense University in Washington, D.C.



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