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Kenya: Current Conditions and the Challenges Ahead

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Summary

Kenya, a nation of about 33.8 million people, has been an important ally of the United States for decades. In a region long marred by civil wars and humanitarian crisis, Kenya has been an important actor in mediation efforts. Over the past decade, Kenya has moved from a one-party state to a multi-party democracy. In December 1992, Kenyans voted in record numbers in the country's first multi-party election in almost 26 years. President Daniel arap Moi defeated opposition candidates by a small margin. In December 1997, Kenya held its second multi-party elections, at the height of tensions between the opposition and the ruling party. President Moi was re-elected with 40% of the votes cast, while his nearest rival, Mwai Kibaki, won 31%. In the 2002 presidential and parliamentary elections, the opposition National Rainbow Coalition (NARC) defeated the ruling Kenya African National Union (KANU). In the presidential election, NARC leader Kibaki defeated Uhuru Kenyatta, the leader of KANU. As the 2007 elections draw closer, presidential candidates are emerging and embarking upon already fierce campaigns. A number of major political figures are expected to challenge President Kibaki. These include Raila Odinga, Uhuru Kenyatta, Stephen Kalonzo Musyoka, William Ruto, and Musalia Mudavadi. This report will be updated as circumstances warrant.

Background

Kenya, a nation of about 33.8 million people, became independent in December 1963 after a prolonged and bloody uprising against Britain, with over 13,000 casualties. Kenya resisted the Marxist-Leninist ideological tide that swept much of Africa in the 1960s and 1970s and maintained a fairly stable political system in a region marred by civil strife and political violence. Although it was governed under one-party rule until 1992, Kenya had a relatively open political system. Kenya's first president was Jomo Kenyatta, an independence advocate from Kenya's largest ethnic group, the Kikuyu, who was imprisoned by the British even though he did not take part in the armed rebellion. Kenyatta's successor as president was Vice President Moi, who took over as president upon Kenyatta's death in 1978. Moi, a teacher before entering politics, is a Kalenjin — traditionally a pastoral people based in the western portion of the Kenya highlands. Many

non-Kikuyu initially hoped that his presidency would redistribute the benefits that they felt had unfairly accrued to the Kikuyu under Kenyatta. In December 1991, President Moi reluctantly and under pressure agreed to move to multi-party politics, eight years after his government had amended the constitution to legalize one-party rule. Kenya had been a *de facto* one-party state since 1969. The move to a multi-party state came after two years of an anti-government political campaign by opposition groups and persistent pressure by donor governments, including the United States.

In December 1992, Kenyans voted in record numbers in the country's first multi-party election in almost 26 years. President Moi defeated opposition candidates by a small margin. His party, the Kenya African National Union (KANU), also won a majority in the 210-seat parliament, despite the defeat of several senior KANU officials by little-known opposition candidates. The three major opposition parties, the Forum for Restoration of Democracy-Kenya (FORD-Kenya), FORD-Asili, and the Democratic Party (DP), each received substantial votes, but fell short of expectations. In December 1997, Kenya held its second multi-party elections, at the height of tensions between the opposition and the ruling party. President Moi was re-elected with 40% of the votes cast, while his nearest rival, Mwai Kibaki, won 31%. The ruling party, KANU, won 107 seats in the 222-member parliament (12 seats out of the 222 are appointed by the president), while the opposition secured the remaining 103 seats. International and Kenyan election observers said that although there were some irregularities, the results of the elections reflected the wishes of most Kenyans. The victory by Moi was largely due to divisions within the opposition and the inability of the opposition to back a single candidate against Moi. It looked as if the opposition would face the same fate in the December 2002 elections when a number of opposition leaders joined the KANU government in the late 1990s and early 2001.

The opposition learned from its mistakes, and in 2002 it succeeded in forming and holding together a coalition, known as NARC (National Rainbow Coalition), that ousted KANU from power by wide margins. NARC won 132 seats in parliament, compared with KANU's 67, while Kibaki defeated Uhuru Kenyatta, son of Jomo Kenyatta, for the presidency with a 62% majority. Moi had designated Kenyatta as the KANU candidate for president in October 2002, prompting Raila Odinga, who had sought the nomination, to leave KANU and, with other defectors, form the Liberal Democratic Party. Kibaki's National Alliance of Kenya (NAK) courted these KANU defectors, and in November 2002, NAK and the LDP agreed to create NARC. NAK is itself a coalition, including Kibaki's Democratic Party and 12 other parties which typically have an ethnic or regional base. President Kibaki announced his cabinet on January 3, 2003, consisting of longtime opposition figures and also senior members of KANU. President Kibaki had to take several factors into consideration in the selection of his cabinet members, including ethnic balance, technical skills, and government experience, as well as rewarding old and new political allies. The post-election environment was stable, although President Kibaki faces serious economic and political challenges.

The Challenges Ahead

The 24-year rule of President Moi kept Kenya united, but left the East African country in serious economic and political troubles. The most immediate political challenge to President Kibaki is to strengthen his political base since a number of key leaders from his coalition have left the party. Moreover, there are a number of powerful opposition figures who might be tempted to challenge Kibaki by denying him a majority in the parliament. President Kibaki is reportedly 74 and serious questions have been raised about his health. He was hospitalized in January 2003 and is rarely seen in public.

Another challenge is the economy, which has been stagnant since the mid 1990s, with a Gross Domestic Product (GDP) growth rate of less than 1% in 2001, although it has seen some recent growth. Unemployment is high and corruption is still a serious problem, although the Kibaki government has taken a number of measures to deal with this problem. The GDP grew by an estimated 5.2% in 2005. According to a September 2006 Economic Intelligence Unit report, “economic policy during 2006 will continue to be guided by the country’s Poverty Reduction and Growth Facility (PRGF) with the IMF. Kenya complied with most of the loan conditions in 2005, the second year of the PRGF, according to an IMF mission that visited the country last October. However, the IMF remains seriously concerned about official corruption.” The IMF sent a new mission in January 2006 to review progress. The resignation of the Finance Minister in February 2006 for alleged corruption practices was seen by some as an important step in fighting official corruption in Kenya. Despite some progress, the expectations of Kenyans, after 24-years under KANU, have increased pressure on the Kibaki government to deliver goods and services.

Tackling corruption is seen as a major priority of the Kibaki government, despite the potential political and social backlash that might result from reform measures. Rooting out official corruption may require getting rid of senior members of the government and prosecution of former senior government officials. Several ministers were forced to resign in recent months, and the Kibaki administration continues to face serious allegations of corruption. In early 2005, the government’s anti-corruption chief resigned from his position, arguing that the Kibaki government is not serious about fighting

Kenya At A Glance

Population: 33.8 million

Comparative Area: Slightly more than twice the size of Nevada

Ethnic Divisions: Kikuyu 22%, Luhya 14%, Luo 13%, Kalenjin 12%, Kamba 11%, Kisii 6%, Meru 6%, other African 15%, Asian, European, and Arab 1%

Religions: Protestant 45%, Roman Catholic 33%, indigenous beliefs 10%, Muslim 10%, other 2%

Languages: English (official), Swahili (official), numerous indigenous languages.

GDP (purchasing power parity) \$39.5 billion (est. 2005)

GDP Per Capita (purchasing power parity): \$1200 (est. 2005)

Source: The CIA World Factbook 2006

corruption and accusing a number of senior officials of corruption.¹ The United States, Britain, and other donor governments have also made similar accusations.² In October 2006, Attorney General Amos Wako declared that he will not prosecute suspects in the Anglo-Leasing, a British firm, corruption case. According to Wako, successful prosecution will not be possible because of “a number of material and significant gaps.”

Constitutional reform had been the rallying cry among for opposition groups prior to the 2002 elections. As part of a pre-election agreement reached among the key players within NARC, a proposed new constitution would create a position of prime minister with executive powers. Reportedly, leaders from the main opposition groups agreed that this position would go to Raila Odinga, one of the major political figures within NARC. The constitutional drafting process was marred by delays, changes, and serious disagreement within NARC. President Kibaki and his supporters managed to get a draft approved in a process seen by senior members of NARC as undemocratic. Some senior members of NARC campaigned against the draft constitution, arguing that the agreement reached earlier was violated, and in November 2005, Kenyans defeated the draft constitution in a national referendum.³ In late 2005, a number of senior officials left NARC and formed the Orange Democratic Party (ODM). Raila Odinga’s Liberal Democratic Party and KANU are the two major parties that constitute the ODM.

The defeat of the 2005 draft constitution signaled that President Kibaki had lost the support of many Kenyans who once gave strong support to NARC. President Kibaki’s credibility was again shaken in February 2006 when three ministers resigned in the wake of corruption allegations. Following these events, some observers asserted that President Kibaki would struggle to complete his term. However, the formation of a new party, NARC-Kenya, appears to have altered the Kenyan political landscape. NARC-Kenya, formally launched in June 2006, replaced NARC, and has already demonstrated its political strength by winning three of the five parliamentary seats in the July 24 by-elections. NARC-Kenya is expected to nominate President Kibaki to run in the 2007 election. Recent polls show that President Kibaki has made important political gains, in part due to growing tension within the opposition coalition. As the 2007 elections draw closer, presidential candidates are emerging and embarking upon already fierce campaigns. Raila Odinga, Uhuru Kenyatta, Kalonzo Musyoka (former Foreign Minister), William Ruto (former KANU Secretary), and Musalia Mudavadi (former Finance Minister) are all expected to compete in the 2007 election.

Despite the enormous challenges facing Kenya, the Kibaki victory has had a positive impact in Kenya as well as in Africa generally. The smooth transfer of power and the transparency in the conduct of the elections indicated that democracy can flourish in Africa. For example, the power of incumbency and the entrenched clout of a ruling party did not stop an opposition victory in Kenya. The elections demonstrated that ethnic divisions can be contained, as the coalition of opposition parties showed in Kenya, if groups are united by a single objective. The lessons learned from the Kenyan elections are many and could strengthen democracy movements elsewhere in East Africa.

¹ “An Exile Sees Graft as a Piece of Kenya’s Social Puzzle.” *New York Times*, March 18, 2006.

² “Corruption haunts Kenya’s leader.” *BBC News Online*, February 2005.

³ Ted Dagne interviewed opposition leaders and government officials in Kenya in 2005 and 2006.

Moreover, donor governments and their citizens expect and could demand more transparency and free and fair elections, after witnessing the Kenyan elections. Kenya is also a key player in regional affairs, having hosted both the Sudan and Somalia peace processes. Moreover, Kenya is home to many refugees from Uganda, Sudan, and Somalia.

U.S.-Kenya Relations: Issues. Kenya has been a valuable U.S. ally since independence, providing the United States with access to its military facilities and political support in the United Nations. Washington once considered Kenya a model developing country with shared democratic values in a continent where civil wars raged and military and authoritarian governments reigned. In the late 1980s and early 1990s, human rights issues emerged as one of the leading U.S. foreign policy concerns in Kenya, as did the promotion of democracy. In the early 1990s, relations between Kenya and the United States became strained due to deteriorating human rights conditions and the government's resistance to a multi-party system, though relations improved slightly after the December 1992 multi-party elections. Relations have improved significantly in the past several years; however, the United States remains concerned about corruption and human rights conditions. The most recent edition of State Department *Country Reports on Human Rights Practices*, issued in March 2006, stated that "the [Kenya] government in many areas respected the human rights of its citizens or attempted to institute reforms to address deficiencies. However, serious problems remained, particularly with regard to abuses by the police service."

Kenya has been an important ally in the war against terrorism, especially since the U.S. embassy bombings in Kenya and Tanzania. In August 1998, when explosions killed over 200 people, 12 of whom were U.S. citizens, at the U.S. embassy in Nairobi, Kenya, and 11 people at the U.S. embassy in Dar es Salaam, Tanzania. As many as 5,000 people were injured in the Nairobi blast, and 86 people in Dar es Salaam. Congress approved \$50 million to be used to compensate victim families and to rebuilding destroyed buildings near the U.S. embassies. However, a number of Kenyans have complained that they have not been given sufficient compensation. Kenya became a target again, when on November 28, 2002, near simultaneous terrorist attacks struck targets in Mombasa, Kenya. Suicide bombers drove a truck packed with explosives into the Israeli-owned Paradise Hotel in Mombasa, killing 10 Kenyans and three Israelis. Minutes earlier, terrorists fired two shoulder-fired missiles that missed an Israeli passenger plane taking off from the Mombasa airport. The 261 passengers on board the carrier escaped injury, and the plane landed safely in Tel Aviv. The Bush Administration expressed concerns about counter-terrorism efforts in Kenya in the State Department's 2005 *Country Report on Terrorism*. According to the report, "Kenya registered little to no progress toward the overall strengthening of its capabilities to combat terrorism, prosecute terror suspects, or respond to emergencies. The Government of Kenya disbanded the U.S.-supported Joint Terrorism Task Force (JTTF), set up in 2004 to improve police and prosecutors' ability to cooperate on counter terrorism issues." Some Kenyan officials complain that the United States is trying to impose its agenda on Kenya without taking into consideration Kenya's interest.

U.S. Assistance

Kenya has been one of the major recipients of U.S. foreign assistance in Sub-Saharan Africa for decades, and is an important trading partner with the United States. Despite Kenya's years of poor economic performance and serious corruption problems, the United States maintained a robust development assistance program focused on good governance, economic development, education, health care, and rural area development efforts in income generation and the effective use of natural resources. The United States also provides significant assistance in support of anti-HIV/AIDS efforts. In regard to the promotion of good governance, U.S. Agency for International Development (USAID) "continues to promote transparent and accountable governance by improving the balance of power among the various branches of government."⁴ In an effort to promote sustainable use of natural resources, USAID is providing support for community-based wildlife management. The U.S. support in health care is largely focused on the fight against HIV/AIDS. An estimated 1.3-1.5 million Kenyans are HIV-positive, although HIV prevalence has reportedly declined in recent years. Kenya is one of the major focus countries of the President's Emergency Plan for AIDS Relief (PEPFAR) and a major recipient of the Global HIV/AIDS Initiative funding. Security co-operation and support is another area in which Kenya and the United States work closely. In October 2006, the Bush Administration removed the restrictions on IMET funding for Kenya. The restrictions were imposed because of Kenya's refusal to sign an agreement with the United States to provide immunity to U.S. personnel from persecution by the International Criminal Court (ICC).

Kenya (\$ in thousands)

Account	FY2005 Actual	FY2006 Estimate	FY2007 Request
CSH	14,600	16,840	14,611
DA	15,782	17,792	21,002
ESF	7,678	7,920	6,755
FMF	-	495	25
GHAI	116,495	175,950	285,000
IMET	139	297	45
NADR-ATA	3,484	3,168	2,938
NADR-CTF	700	100	600
NADR-EXBF	75	100	500
NADR-TIP	285	-	300
P.L. 480 Title II	45,056	16,463	12,500
Peace Corps	3,150	3,264	3,190

Source: Department of State.

Notes: CSH: Child Survival and Health; DA: Development Assistance; ESF: Economic Support Fund; FMF: Foreign Military Financing; GHAI: Global Aids Initiative; IMET: International Military Education and Training; NADR-TIP: Nonproliferation, Anti-Terrorism, Demining, and Related programs; NADR-CTF: Counter Terrorism Financing; NADR-ATA: Anti-Terrorism Assistance; NADR-EXBS: Export Control and Related Border Security Assistance; P.L. 480: food assistance.

⁴ USAID's Strategy in Kenya [<http://www.usaid.gov>].