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President Uhuru Kenyatta (2013-present) has stalled in his efforts to build support in the opposition heartland of western Kenya and in deputy president William Ruto's Rift Valley. Tension is increasing in the ruling Jubilee Coalition ahead of the 2017 election. Parliament deliberates moving the election date to December 2017. The Supreme Court rules that the government must implement a 50-60% pay increase for teachers. China Jiangxi International Kenya workers begin labour action amid wider tensions between the Kenyan government and Chinese state-owned enterprises. Security forces launch Linda Boni (Protect Boni) operations to dislodge al Shabaab militants based in the Boni Forest.

Kenyatta fails to broaden support base

A series of political misjudgments has stalled President **Uhuru Kenyatta's** (2013-present) efforts to build support in the opposition heartland of western Kenya. Kenyatta is attempting to build a broad-based ethnic and political platform ahead of the 2017 election, which, if successful, would improve Kenya's longer term political stability. Kenyatta began his overtures in June when he toured western Kenya, a stronghold for the opposition **Coalition for Reforms and Democracy (CORD)**. His efforts have taken the form of largesse.¹ During the tour, Kenyatta visited **Kakamega County** and handed a \$10m cheque to financially troubled miller **Mumias Sugar Co.**² The much needed loan was meant to give a new lease of life to the loss making sugar miller, a key employer in the region. In August, Kenyatta angered the region's sugarcane farmers when he announced a deal with **Uganda** that would allow the importation of sugar to end a long running dispute³ (see *ARC Briefing Uganda December 2014*). The announcement quickly drew criticism, especially from the Western region sugar belt with members of parliament (MPs) from the area describing the deal as a big blow to farmers in the region who depend on selling cane to local millers.

*"Western members of parliament say that the deal will only benefit sugar barons who could now import cheaper sugar from Uganda, a move that is expected to jeopardise local production."*⁴

Efforts to build support for Kenyatta in the **Rift Valley** have proved equally unsuccessful. The Rift Valley remains the political turf of deputy president **William Ruto**.⁵ There are growing tensions within the ruling **Jubilee Coalition** between Kenyatta's **National Alliance** and Ruto's **United Republican Party (URP)**. The source of the tension is a perception that the government is not demonstrating the same zeal in defending Ruto at the **International Criminal Court (ICC)** as it did for Kenyatta.⁶ These tensions emerged most notably during a prayer meeting in **Kuresoi (Nakuru County)** on 7 September.⁷ The prayer meeting was for Ruto and fellow ICC defendant **Joshua Sang**, both of whom are from the **Kalenjin** ethnic community.

¹ Source, journalist, Nairobi

² Source, journalist, Nairobi

³ Daily Nation, 21 Aug 2015.

⁴ Source, journalist, Nairobi

⁵ Source, lawyer, Nairobi

⁶ Source, journalist, Nairobi

⁷ Daily Nation, 6 Sep 2015.

*“The prayer meeting was touted as a strictly Kalenjin only affair but Jubilee chief whip **Aden Duale** who is an ethnic **Somali** ‘bulldozed’ his way into the event.”⁸*

The perception that Ruto does not have the government’s full backing at the ICC may encourage him to seek the presidency in 2017 *“as the best way of beating the ICC”*.⁹ There is long-standing speculation that Kenyatta and Ruto have an unwritten agreement that Ruto will not challenge Kenyatta in 2017 in exchange for his backing ahead of the 2022 election.¹⁰ Regardless of whether or not there is a compact between the two leaders, political maneuvering ahead of the next election is increasingly likely to jeopardise the stability of the Jubilee Coalition.

The Jubilee Coalition has had mixed fortunes in the **Ukambani Region** (eastern Kenya) which is another CORD stronghold. CORD has held chaotic party rallies in the region thanks to infighting between **Machakos County** governor **Alfred Mutua** and **Kalonzo Musyoka**, a CORD grandee who was **Raila Odinga**’s running mate in the 2013 elections.

*“Mutua is seen as a Jubilee sympathiser despite belonging to the **Wiper Party** which is in the CORD Coalition but is gaining mileage due to his brisk rollout of water, roads, health and other projects. The former government spokesman also has a strong public relations team that has boosted his political profile.”¹¹*

Kenyatta, however, is facing an internal rebellion in the region with suspended lands cabinet secretary **Charity Ngilu** the instigator. Ngilu is facing ongoing prosecution after an **Ethics and Anti-Corruption Commission (EACC)** investigation into a contested 8 billion Kenya shilling (KSh) (\$75.6m) land deal in **Karen District (Nairobi)**. Ngilu has recently defended Musyoka against allegations that he grabbed **National Youth Service** land in Machakos County.¹²

“Ngilu is flirting with Musyoka and is defending him from accusations that he is the beneficiary of grabbed land. Ngilu’s new found friendliness is however seen as a subtle threat that is meant to force her boss [Kenyatta] to drop the court cases against her.”¹³

Parliament reviews election dates

Parliament is deliberating a proposed constitutional amendment that would move the date of the general election from August 2017 to December 2017.¹⁴ The **Justice and Legal Affairs** committee is considering a private members bill to hold elections in December 2017, which would resolve uncertainty about the electoral calendar. It would also be the first amendment to the 2010 constitution, a process which needs two-thirds support in both the senate and the national assembly. The 2010 constitution specifies that general elections should take place in August. Nevertheless, delays in passing electoral legislation meant the election scheduled to take place in August 2012 failed to do so. The **Independent Electoral and Boundaries Commission** eventually settled on March 2013 leaving the date of the next general elections uncertain. Elections in August 2017 would mean that officials elected in March 2013 would serve only four and a half year-terms rather than the constitutionally mandated five years. An August 2018 election would mean officials exceeding the five-year limit.

Supreme court backs pay increase for teachers

A **Supreme Court** ruling has raised concerns about the government’s recurrent spending obligations. The supreme court on 24 August ruled that the government must implement a 50-60% pay increase

⁸ Source, journalist, Nairobi

⁹ Source, journalist, Nairobi

¹⁰ Source, western diplomat, East Africa

¹¹ Source, journalist, Nairobi

¹² Daily Nation, 13 Jul 2015.

¹³ Source, journalist, Nairobi

¹⁴ Daily Nation, 13 Aug 2015.

for teachers following a long running dispute with the **Kenya National Union of Teachers (KNUT)**.¹⁵ Implementing the pay increase will cost the treasury \$170m not currently budgeted for.¹⁶ Both Kenyatta and treasury cabinet secretary **Henry Rotich** have said that there is no money to pay teachers.

“The government is still trying to use all ways to overturn the ruling. This, however, has drawn a backlash from ordinary Kenyans, from all political affiliations as the claim that there is no money is seen to lack sincerity or merit. Recent reports of government pilferage, corruption and a trend of continued disparity in incomes amongst different departments of the civil service have made ordinary Kenyans side with the teachers.”¹⁷

The KNUT has contrasted the government’s response to the teachers’ demands with its willingness to pay companies involved in the **Anglo Leasing** scandal for work not delivered. In May, the government authorised the payment of \$14m to companies involved in Anglo Leasing stating that the payments were a prerequisite for Kenya to launch its \$2 billion sovereign bond. There is also increased popular criticism of spending at county level. In September, local media reported that the **Bungoma County** government ordered 10 wheelbarrows at a cost of \$1,000 each.¹⁸

The KNUT has cited disparities in public sector incomes to justify its demands. Kenyan legislators are amongst the highest paid in the world and regularly award themselves pay increases. While an MP earns an average monthly salary of \$8,500, the lowest paid teacher earns \$160.¹⁹

“Furthermore, there is always a rare show of unity in parliament when MPs are pushing bills to increase their already generous perks.”²⁰

However, public support for teachers is not unanimous. Studies have shown that the reason for poor student performance, especially in the public education system, is the direct result of teacher absenteeism. A 2013 **World Bank** report showed that on average close to three out of 10 teachers in public schools are absent. The KNUT has refused to have its members sign performance contracts.

Kenyatta may use the teachers’ strike as an opportunity to implement salary rationalisation within the public sector and as a justification for the *“unpopular but necessary”*²¹ expansion of the government’s revenue base.

*“Kenyatta is considering how best to move into the informal sector and have businesspeople in this sector begin to pay their fair share of taxes. The **Kenya Revenue Authority** has over relied on the formal sector and consumption taxes yet it is an open secret that the cottage industries, also known as the *jua kali* (informal) sector, are money-making machines. After all why is it that all major banks have branches in areas where these industries thrive?”²²*

China Jiangxi International Kenya workers begin strike

China Jiangxi International Kenya workers began labour action at the **Muruny-Siyoi Dam and Water Supply Project** on 3 September.²³ The dispute highlights wider tensions between Chinese state-owned enterprises and the Kenyan government. China Jiangxi International Kenya is a subsidiary of state-owned **China Jiangxi Corporation for International Economic and Technical Cooperation**. The China Jiangxi International Kenya workers cited *“harsh working conditions”*²⁴ for

¹⁵ Standard, 24 Aug 2015.

¹⁶ Source, journalist, Nairobi

¹⁷ Source, journalist, Nairobi

¹⁸ Source, journalist, Nairobi

¹⁹ Source, journalist, Nairobi

²⁰ Source, journalist, Nairobi

²¹ Source, journalist, Nairobi

²² Source, journalist, Nairobi

²³ The Star, 3 Sep 2015,

²⁴ The Star, 3 Sep 2015,

the strike. The labour action follows local communities disrupting activities at the same site in August over the company's employment practices. Labour disputes are increasingly common for China-based companies in Kenya, with labour groups claiming that construction companies in particular fail to adhere to local labour laws.²⁵ Strikes hit **China Road and Bridge Corp** work on the standard gauge railway in both February and August in disputes over low wages and poor working conditions.²⁶ Tension is increasing between the Kenyan government and China-based companies due to EACC investigations into the awarding of contracts to the China Jiangxi Corporation for International Economic & Technical Cooperation, China Road and Bridge Corp, China Jiangxi Corporation for International Economic and Technical Cooperation and **China Wu Yi**.²⁷

Security forces begin major Boni Forest operation

Security forces on 11 September launched a major operation to dislodge **al Shabaab** militants based in the **Boni Forest**, which straddles **Lamu** and **Garissa** counties.²⁸ The **Linda Boni** (Protect Boni) operations are likely to result in only a temporary improvement in the region's security. Prior to the operation, inspector general of police **Joseph Boinnet** on 3 September issued a gazette notice declaring the Boni Forest a "*disturbed and dangerous area*".²⁹ The gazette notice orders all members of the public to surrender weapons and ammunitions.³⁰ Previous disarmament efforts have failed, with pastoralists reluctant to surrender their weapons.

Al Shabaab has increased its activity in Lamu County. On 21 June, gunmen ambushed a **Kenya Defence Forces (KDF)** patrol in **Baure** (Lamu County), resulting in the death of 11 militants. The KDF has bases around Boni Forest near **Bargoni**, **Kiunya** and **Milimani**.³¹ In July, a leaked Kenyan intelligence report claimed that al Shabaab had instructed a Kenya-based faction known as **Jaysh Ayman** to infiltrate communities in the Boni Forest.³² Al Shabaab reportedly instructed Jaysh Ayman to agitate sectarian hostilities and target government and commercial assets.³³ In the same month, a Kenyan government official alleged that al Shabaab had established a permanent base in the Boni Forest. Little is known about Jaysh Ayman, which operates in the Kenya-Somalia border area and along the Kenyan coast.³⁴ The group reportedly consists of Somali and **East African** nationals, and is linked to the June 2014 attack on **Mpeketoni** and failed attacks in **Malindi** and **Mombasa**.³⁵

Implications

Kenyatta is seeking to unite the political interests of the Rift Valley and the **Central Province** in order to position himself to dominate the next two sets of elections. This maneuvering will increase the risk of the ruling Jubilee Alliance fracturing. If there is an agreement between Kenyatta and Ruto, the president's inner circle will increase pressure on him to abandon it. Ruto's continuing trial at the ICC poses an ethnic fault line in the coalition that electioneering might exacerbate. Holding elections in December would result in a neater fit between the electoral and budgetary cycles.

The teachers' pay dispute is indicative of the wider challenges facing the government in reducing its recurrent expenditure. Even if an amicable solution is found, Kenyatta's problems may not end there since the health sector has also begun asking for better pay. Continued high levels of spending are increasing pressure on the fiscal deficit. Higher revenue collection in the short-term from increased income taxes in the informal sector in particular is possible, though not probable.

²⁵ The Star, 3 Sep 2015.

²⁶ The Star, 3 Sep 2015.

²⁷ Indian Ocean Newsletter, 12 Jun 2015.

²⁸ Standard, 3 Sep 2015.

²⁹ Standard, 3 Sep 2015.

³⁰ Standard, 3 Sep 2015.

³¹ Standard, 3 Sep 2015.

³² www.somaliagenda.com

³³ www.somaliagenda.com

³⁴ www.somaliagenda.com

³⁵ www.somaliagenda.com

The tension between the government and China state-owned enterprises is the most serious since former president **Mwai Kibaki** (2002-2013) introduced Kenya's 'Look East' policy. The significant role of Chinese state-owned enterprises in developing Kenya's infrastructure projects motivates the government to mitigate labour disputes. Failure to do so will result in completion delays and increased costs.

The existing permanent KDF bases around the Boni Forest have failed to improve the security situation in Lamu County. The temporary increase in security forces operations is unlikely to provide a permanent solution to insecurity in the region. The availability of small arms and the porous nature of the border will continue to concern Kenya's security apparatus until the government is able to implement a meaningful political solution to communal tensions.

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