

STATE OF THE NATION: Corruption: A brief history – 1997 to 2018

My brief sojourn in government from 2002 until 2005 began on the wave of an anti-corruption agenda that Kenyans had bought into. The NARC coalition that swept into power at the end of 2002 was really no more than a collection of rebelling KANU politicians who had the backing of civil society and the religious fraternity fired up by wananchi utterly exhausted with 24 years of President Daniel arap Moi's stagnating regime. NARC also had a solid economic plan and an anti-corruption platform. For some months in government part of my job in the Office of the President was helping to manage the contradictions caused by citizens arresting policemen and civil servants caught soliciting bribes. The Public Complaints Unit (PCU) that eventually became the Ombudsman's office emerged out of this in 2003/4.

We were all excited at the possibilities of transformation. The administration was full of leading 'reformers', among them Kiraitu Murungi, Anyang Nyong'o and Raila Odinga. And those who were not in government were advising it: Makau Mutua, Maina Kiai, Gibson Kamau Kuria, David Ndi, Kivutha Kibwana to name only a few. They all occupied the same space in the State. Harris Mule, David Ndi and Caleb Opon put together the Economic Recovery Strategy.

However, we learnt quickly that while we were in office, we were not in power. While the anti-corruption push, led from the front by President Mwai Kibaki, started with a bang it faltered within eight months. From my vantage point in the Office of the President there were three immediate reasons for this.

First of all, the nexus of the Office of the President (which included all security and defense agencies) and the Ministry of finance was the fulcrum of corruption in Kenya. And it was from here that a gaggle of civil servants engineered a successful counter-reform effort. Through a series of circulars, directives, committees, commissions and endless meetings, the fight against corruption was bureaucratised, effectively reduced to an annual laundry list by the anti-corruption authority of what they mostly hadn't achieved, and the odd court appearance by suspects wearing broad smiles and expensive suits. The public treated the emerging charade with deepening derision.

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This bureaucratisation was sealed when Kenya ratified the United Nations Convention Against Corruption (UNCAC) in 2003 – a case of policy surrender if ever there was one. The expertise of the World Bank, IMF and other donors in this area was unchallenged, programmatised and affirmed. Our political class had outsourced anti-corruption. This was ironic given the improvements in economic management that gave the regime considerable leeway to define the fight against graft within our own particular African political reality.

Secondly, some of my own colleagues were essentially 'bought off' or overcome by greed, all rigorously and robustly justified. Some were refreshingly honest about it. One cabinet minister told me directly, "After 10 years in the opposition we have to eat, John, and if it means shaking down *banyanis* – sawa!" Others – much to my surprise, it was the ones who'd been most vocal against the 'Moi dictatorship' and were activists for good governance, transparency, human rights etc – degenerated into very basic ethnic chauvinists. One

colleague, who has done very well for himself and his practice since 2003 to date – whispered to me one evening in Kikuyu: “We have arrived! This thing is *ours* John. We can never let it go.” He was as, as they say, a grown ass man, as excited as a child allowed into the cookie shop at night. For this lot ‘eating’ was a tribal right that had been earned by years in Moi’s political wilderness.

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I remember one group of senior colleagues who’d been given an all-expenses paid trip to Asia. They returned with new clothes, expensive watches and their skins glowing from massages and other ‘treatments’ that had been laid on. Before long if you wanted to chat with a senior colleague about something urgent it was easier to catch them at the building site of a house that was being expanded or built from scratch. Or even better, at the home of a second wife or concubine, where the mood was far more relaxed.

Thirdly, there were those for whom state power had always been about business – ‘reforms’ were an after-thought. Many of them were former bureaucrats who’d gone into politics. Some of them were old-school types – bright, well educated, experienced and systematic in the affairs of government. It was utterly fascinating watching them slip and slide. At first everyone tried to be at all the important policy meetings, to contribute to the great changes underway. Among these were some of the key players around the President – the so-called Mount Kenya mafia. Within months though, they started to spin away. The amount of time dedicated to official business

declined. They stopped picking up their phones. They would eventually be tracked down at country clubs, or meeting bankers, architects, lawyers – *transacting*.

Earlier this week [President Kenyatta](#), while addressing the 8th Presidential Roundtable Forum hosted by the Kenya Private Sector Alliance (KEPSA), railed against corruption condemning the vice and noting accurately that it had the potential to undermine his [Big Four agenda](#) ‘and completely destroy the country’.

Of all Kenya’s heads of state, Kenyatta has been by far the most articulate against graft – and the least successful in fighting it. Painfully aware of this stark dichotomy, he has sometimes launched angry tirades and, at other times, defeated proclamations with regard to the rampant theft and plunder his regime has overseen.

These failures were never more apparent than when Kenyatta delivered his fifth [State of Nation](#) address to parliament earlier this month: Watching his speech, I was struck by the extent to which despite [his proclamations](#) and purported actions with regard to [graft since 2013](#), the Kenyatta regime is stuck in a situation and condition very similar to that of Moi in 1997 despite vastly different circumstances.

By the late 1990s the Moi regime had literally emptied the public coffers. The giant Nyayo Era patronage machine was operating under the constraints of the IMF and World Bank’s stringent fiscal policy supervision. Teams of technocrats sent from Bretton Woods were drafting policy, dictating budgets and keeping a watchful eye on the till. But somehow the Nyayo Machine found a way. Taking advantage of the Bretton Woods’

prescribed massive offloading of public assets – especially land, houses and other assets owned by parastatals, the railways, universities, etc – they literally dished these out to themselves. Some of these assets were disposed of and quickly entered the bloodstream of the banking sector. The building boom in Nairobi's Upper Hill harks back to this time. Many of the current shenanigans in the NSSF, NHIF, telecoms and power sector were seeded in the 'liberalisation' and 'privatisation' processes that were pushed through back then. It's worth noting that the current anti-corruption agency was itself a creature of this IMF-Nyayo compromise.

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The impact of the regime's plunder back then was to restructure society in ways reminiscent of what's happening today. While newspapers regularly carry headlines on the latest scandals Kenyans have become numb to them. Economist David Ndiu recently observed that 'the [Uhuruto kleptocracy](#) has plundered Ksh. 350 billion (US\$3.5 billion) since 2013, ranking fifth in the world kleptocracy league table, right behind Mobutu and Abacha (US\$5 billion), Ferdinand Marcos (US\$10 billion) and Indonesia's Suharto at US\$35 billion'.

The logic of the looting since 2013 has been different, however. It is driven by a Faustian pact between the Kikuyu elite led by Uhuru Kenyatta and the Kalenjin elite organised around Deputy President William Ruto. It was a pact forged out

of the 2007/8 Post-Election Violence and the subsequent International Criminal Court (ICC) indictments. It has turned out to be the most expensive political coalition in Kenya's history and one that has liberalised corrupt activity to an extent that for a [generation of millennials](#) it has been normalised

As I said, the 1990s was a similar time in terms of theft and plunder in Kenya. The regime *deliberately ensured* it was so pervasive – that everyone was touched by it. As a result, many Kenyans were gripped by a moral paralysis. Today, the elite has gorged so wildly and widely that there is no one who isn't affected by it in very practical ways. This is especially true of the urban middle class, historically the primary articulators of the country's governance-related aspirations. Because, almost every family today has a wheeler-dealer flashing rapidly accumulated wealth while being reticent about discussing its sources. We all have a cousin with a 'ka-contract' of the NYS, Kenya Power & Lighting variety; a nephew who's paying the odd kickback to keep business going and justifying it with persuasive arguments. Many of us have a relative or a friend sleeping with so-and-so for this and that, in these deeply unequal times where a weekly sexual escapade, no matter how distasteful, can totally transform one's life and that of their family.

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We all have [Harambees](#) for medical bills, school fees and other domestic crisis where the preferred guests of honour are those

closest to the plunder. And so, a toxic cloud hangs over even the best of us. Many single malts are downed justifying why things have to be the way they are while simultaneously decrying the situation.

Part of the genius of crony capitalism and theft-fed plunder is to ensure as many people are touched by it as possible even if all it means is owing a favour.

The real difference between the present and the 1990s is that the normalisation of plunder is better educated, better dressed, speaks finer English, is digitised and has aspirations equivalent to their metropolitan counterparts in the West. The architecture of theft is conceived not by whispering bureaucrats and politicians in drinking dens but well coiffured lawyers, accountants, bankers, lawyers and the exotic breed of 'investment advisors' with MBAs who invest in the arts, join wine tasting clubs and are as impressive when discussing the Kenyan Stock Exchange as they are holding forth on Brexit. Corruption smells better in 2018, it is better dressed and better read. That said, there is still a vicious model of extortion for corrupt purposes that has become prevalent at top levels of the regime.

Ultimately, the plunder Jubilee has unleashed is constructed on a bed of conflict of interest that necessarily involves rotting the public services sector, acquiring publicly-owned bodies on the cheap via privatisation exercises, and then corporatising the new private outfits through mergers and partnerships with global multinationals. This is best exemplified by the binge on foreign debt and the international cast of suspects that attend to it.

Just as the Arab Spring terrified authoritarians around the world closer to home, impatient millennials are pressuring the politics. They are at once cynical about change and desperate for it. Their university degrees are increasingly meaningless. They realize that you only get ahead if you are

part of a racket or in the neighbourhood of one.

And yet one gets the distinct feeling that the elite realises the game cannot continue forever. Just as the Arab Spring terrified authoritarians around the world, closer home, impatient millennials are pressuring the politics. They are at once cynical about change and desperate for it. Their university degrees are increasingly meaningless. They realise that you only get ahead if you are part of a racket, or in the neighbourhood of one. For them inequality has never been more personally consequential. The Nigerian election in 2015 that saw Muhammadu Buhari ousting Goodluck Jonathan was in part a revolt driven by these forces. We've seen a former head of state imprisoned for corruption in South Korea. A couple of weeks ago former South African president Jacob Zuma was in the dock for corruption. This week the Malaysians, for the first time ever, voted the opposition into power led by a 92-year old former Prime Minister Mahathir Mohamed. One can't help the thought that the giant Malaysian 1MDB scandal in that country had something to do with these extraordinary political developments. Elites here too will have to duck and dive to stay ahead.