KENYA_ GENERAL

1992 → 1993

... Non-Aligned Summit in Jakarta, Indonesia. He spoke with his famous revolver at his side.

Africa in brief

Sowetan 3/9/92

50 rebels killed

DAKAR - Security forces killed 50 supporters of independence for the southern province of Casamance in a battle near Ziguinchor, official Senegal radio said yesterday

Two soldiers were killed in the fighting on Tuesday Sixty rebels and nine soldiers were wounded Additional security forces had been sent to the region

Thousands are dying

MOGADISHU - The head of the US food airlift to Somalia yesterday gave a harrowing eyewitness account of desperate children and old people dropping dead by the thousands in the starving nation

Mr Andrew Natsios said it was the worst human suffering he had ever seen, exceeding even the Ethiopian and Sudanese famines of past years

Sowetan 3/9/92

Human life imperilled

NAIROBI - A Kenyan academic yesterday warned delegates attending an international conservation conference in Nairobi that human life in Africa was imperilled as never before

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Dr Mohammed Isakakia, Kenya's director of museums, told the conference on biodiversity in Africa that the situation on the continent had become so serious that human life, natural habitat, soils and species were threatened to an extent never known before

Bombing (163)

NAIROBI - A small bomb exploded yesterday at the venue of a meeting of Kenya's squabbling main opposition party No one was injured - *Sapa-Reuter-AFP*

Sowetan 4/9/92

ay September 4 1992

Africa in brief

Petrol boycott

NAIROBI - The Kenya Petroleum Dealers' Association told the government that unless its profit margin is increased from three to 10 percent within two weeks, petrol stations will stop selling certain petroleum products. If the demand is not met by the deadline, it will stop selling all petroleum products. (163)

Sowetan 4/9/92

Africa in brief

Support pledged

LUSAKA - Former Zambian President Kenneth Kaunda has pledged to support his eldest son, Panji, as United National Independence Party presidential candidate at this month's party congress Sowetan 8/9/92.

Speaking on Zambian Television on Sunday, he said he would retire from partisan politics but pledged to support his son's effort to succeed him as Unip president on September 24

Kenya aid plea

163

NAIROBI - Kenyan opposition leaders have appealed to the United Nations to send a peace-keeping force to monitor ethnic clashes in the country Sowetan 8/9/92

Representatives of the opposition party, Forum for the Restoration of Democracy (FORD) said in a petition yesterday that 20 people from the Bukusu and Teso tribes had been killed this month by armed cattle rustlers along the border with Uganda

fload emergency relief supplies from an SAAF plane for in child refugees in Kenya. Picture. Jacoob Rykliff

Joining hands to feed the hungry

(163)

STAR 8/9/92

The last of two SA Air Force Hercules C-130 supply planes returned to the Waterkloof air base near Pretoria on Sunday after a 8 200 km round trip to northern Kenya to deliver 30 tons of relief supplies

The operation was a joint effort of the African Muslim Agency (AMA), the Department of Foreign Affairs and the SA Air Force (SAAF) The Government paid the transportation bill

Emergency relief supplies were delivered on Saturday evening to Wajir in northern Kenya, which borders strife-torn Somalia

Included in the consignment were cereal, powdered milk and medicines to be distributed at 13 centres housing 13 000 child refugees in and around Wajir

The success of the first phase of the relief operation — the second takes place on September 19-22 when a further 200 tons will be shipped to Mombasa en route to Wajir — was a commitment that transcended political and religious boundaries in South Africa

Contrast

After a 10-hour flight from Waterkloof air base to Wajir, the reception accorded to the South Africans was in stark contrast with the country's years of political isolation

When the aircraft landed, Kenyan aid workers rushed on to the military airstrip near Wajir and offloaded the consignment donated by South African Muslims

More than 300 000 refugees have spilt over the borders into Kenya, escaping the civil strife in Somalia and, to a lesser extent, the drought in Ethiopia

Some 1,5 million to 2 million people in Somalia are at immediate risk of starvation in what is now recognised as the world's worst humanitarian crisis

"This is an operation that has to succeed We are aiming this consignment at children There are 13 feeding centres in and around Wajir with about 1 000 children each Their plight is the most desperate," said Moulana Shabir Saloojee, who is co-ordinating the South African side of the relief operation

While South African Muslims had donated the aid, the feeding project was for all, not only Muslims, he said

Moulana Saloojee had high praise for Foreign Affairs and the SAAF "Without them, this could not have been successfully concluded"

The aid was transported free of charge after several Muslim agencies, having collected the goods, approached the Government for assistance

Foreign Affairs communications and marketing (Africa division) spokesman Roy Sherwood said he was overwhelmed by the response of the Kenyan government

"It shows a further normalising of relations with the Kenyan authorities Although we do not have a full diplomatic mission in Nairobi, the Kenyan authorities assisted us to their best ability

"With regard to the members of the SA Air Force, the Kenyan authorities' attitude was outstanding Our men in their air force uniforms did not raise any eyebrows, were not questioned and went about their duties as normal"

The project to bring aid to Somalian refugees began in June when the AMA in Kuwait made a worldwide appeal for assistance for the destitute

The call was taken up by the agency's office in Johannesburg and several other Muslim aid organisations in the country

After receiving the donations — Muslim leaders claim there are up to 800 000 Muslims in South Africa — the AMA approached Foreign Affairs

Lengthy negotiations took place between Government departments, Muslim organisations and later the Kenyan government The deal got off the ground towards the end of last month — Sapa

IMF monitors economic reform

Sowetan 14/9/92

(163)

■ Kenya may hold first multi-party election in 26 years by end of the year

NAIROBI - Kenya's Western donors say they want to see the report of an International Monetary Fund team on the progress of economic reforms in the country before deciding whether to restore aid after a 10-month suspension

"There has been substantial progress Obviously there has to be more of this," said one Nairobi-based diplomat as a two-week investigation by an IMF team wound up on Saturday

Kenya's government hopes a nod from the IMF will unblock about R810 million of World Bank aid and persuade bilateral donors to resume vital balance-of-payments support, suspended at a November meeting of the Paris Club of donor nations

"The team s agenda was secret, but they certainly looked at the budget (deficit), financial sector reform and parastatals," one economic analyst said

"Donor response will depend very much on the readout of this mission," he said, adding that full resumption of aid would not take place until the next Paris Club meeting this autumn

Donors acknowledge Kenya has tried hard to win favour since the suspension, worth about R1,62 billion, was made to protest against the slow pace of economic and political reforms

Kenya's first multi-party election in 26 years is expected before the end of the year after the unbanning of opposition parties by President Daniel arap Moi last December - *Sapa-Reuter*

Africa in brief

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Less brings more

Sowetan 17/9/92

NAIROBI - Kenya, like Botswana, is to adopt a policy of encouraging affluent tourists at the expense of cheap tours in an effort to protect tourist attractions

The country will seek to attract fewer tourists but at the same time increase its revenue by making visits more expensive, according to Minister for Tourism and Wildlife Noah Katana Ngala

Kenya South 19/9-23/9/92

THE United Nations will boost food shipments to drought-hit northern Kenya where 1,5 million people risk starvation, according to the World Food Programme (WFP) announcement last week.

US military planes will airlift food to the worst-hit areas in northeastern Kenya where the majority of the Somali population are nomads and there are almost no paved roads (163)

The WFP and the UN Food and Agriculture Organisation estimate that Kenya will need 98 000 tonnes of food aid in the next four months

Kenya's meagre resources have been further strained by an influx of half a million refugees.

US continues aid flights after stray bullet hits plane

(163)

STimes 20/9/92

From Didrikke Schanche in Nairobi

THE United States airlift of food to Somalia and Kenya continued yesterday following the suspension of flights to one destination after an American cargo plane was hit by a stray bullet

US personnel at a military base in Kenya's coastal city of Mombasa sent planes carrying food and supplies to the Somali towns of Baidoa and Hoddur and the northeastern Kenyan town of Wajir, according to Marine spokesman Lieutenant Brad Bartelt.

Lieutenant Bartelt said an American C-130 cargo plane had been struck by a stray bullet after it landed on a dirt airstrip at the western Somali town of Belet Huen on Friday.

He said the attack was not intentional, but it is being investigated.

Another Marine spokesman, Warrant Officer Hartman Slade, said there was no apparent gunbattle on or near the airstrip, but the "security situation on the ground deteriorated" as the plane was being unloaded.

Looting

"The crew reported seeing a lot of people, a lot of guns, a lot of chaos. They just wanted to get the plane unloaded and get out," he said.

Guns have become commonplace in Somalia since the January 1991 overthrow of dictator Mohamed Siad Barre.

Widespread insecurity and banditry have severely hobbled international efforts to feed the country's starving millions. Some aid officials estimate that as much as half the 150 000 tons of supplies delivered to the Horn of Africa nation have been stolen

The C-130 returned safely to Mombasa after unloading 10 tons of rice, lentils and cooking oil for the International Committee of the Red Cross.

Marine Brigadier-General Frank Libutti temporarily suspended the Belet Huen airlift until the situation in the dusty outpost near Ethiopia's border had calmed down.

The Americans began delivering food to Belet Huen on August 28 for the Red Cross, which says it is caring for 200 000 people in the area

Red Cross officials at regional headquarters in Nairobi said the agency had already decided to suspend the airlift because of deteriorating security in Belet Huen.

Clans

Belet Huen is one of dozens of sites in Somalia where the Red Cross is feeding and caring for people in an effort to help stem deaths caused by a famine that already has killed more than 100 000 people.

Disputes among rival clans in the village have forced the Red Cross to suspend its airlift several times since it began early this year, said spokesman Gregoir Tavernier.

Meanwhile, in a move unrelated to the airlift, American troops are expected off Somalia within 10 days to provide logistical support for 500 United Nations troops deployed to protect relief food from looting gunmen.

A US naval group of four ships is now in the Indian Ocean, according to Major Marc Martens at US Central Command in Florida

The flotilla carries 2 400 US Marines and Air Force commandos

Although officials say the American operation is limited to offshore control and communications functions for the UN troops, the presence of US military hardware is sure to trouble Somali warlords who do not approve of UN troops in their country.

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Star 21/9/92

Joe Khamisi of the Star Africa Service reports from Nairobi

Kenya faces 'war' with Muslims

KENYA appears to be in the midst of an Islamic fundamentalist crusade that, many observers fear, could lead to the kind of devastating social consequences and religious violence experienced in Lebanon and Iran.

Though still in its infancy, doctrinaire Muslim radicalism has been gaining ground in this predominantly Christian nation for several years, prompting Kenyan scholar, Professor Ali Mazrui, himself a Muslim, to warn of an impending Muslim uprising

Signs of Muslim fundamentalism surfaced in Kenya as recently as five years ago when students at government and Christian schools in Mombasa decided to discard their uniforms in favour of the "hijab" or veil This invited the wrath of education authorities which, in turn, triggered Muslim agitation in several parts of the country The matter was eventually taken to the courts which ruled in the students' favour

As in other Islamic countries, the Muslim community is divided into two factions — the Shias of the "Ithnaashari" sect, followers of the 12 disciples purported to be the true successors of the prophet Mohamed, and the Sunnis, who traditionally hold liberal views

The Shias, who have a reputation for militancy and extremism, are considered educated and wealthy, while Sunnis are regarded as the poor cousins The two factions are now embroiled in disagreements over who should de liver sermons in mosques during Friday prayers With the advent of multiparty politics in Kenya, the Muslims formed the Islamic Party of Kenya (IPK) this year. The government refused to register it, claiming that to do so would be in violation of the constitution This led to a clash between the IPK and the authorities

Seven radical preachers were arrested and the police stormed a mosque in Mombasa This led to three days of violence in which two people were killed, a police station and post office damaged, shops looted and cars set alight

A few weeks after the clash, President Daniel arap Moi made a speech in which he asserted, wrongly as it turned out, that Muslims were solely responsible for the slave trade in east Africa

The Muslims were joined by other opposition groups in condemning Mr Moi's statement The government issued a public apology through the area provincial administration, but this did not satis fy the Muslims, who wanted an apology from Mr Moi It didn't come, and the Muslim performed a public curse on Mr Moi in a ceremony in which three goats and a chicken were slaughtered The gulf between the government and the Muslims looks set to widen The government's refusal to register the IPK has incensed the Muslim community and the leader of the IPK, Sheikh Khalid Salim Balala, is in jail awaiting trial on treason charges He could be sentenced to death if found guilty. □

Young Kenyans fed up with old order

STAR 23/9/92 (163)

Kenya faces troubled times as its new hopes are wrecked by old politics and its economy bows to the recession, writes HANS-PETER BAKKER of The Star Africa Service from Nairobi

LIKE MANY other young professional Kenyans, Njuguna Mutonya has had just about enough of the old forces which are tearing his country apart

But whether he can do much about it is another question — and one of the most important facing his country today

The hopes of a new and freer era which sprang up among young Kenyans only a few months ago, when President Daniel arap Moi agreed to multiparty politics, have been destroyed by in-fighting among Mr Moi's old guard opponents

The legalising of opposition parties earlier this year was followed by the founding of a massive and highly popular opposition group, the Forum for the Restoration of Democracy (FORD)

The new party seemed poised to take over the country's leadership But at that time few recognised the danger signals when veterans of the anti colonial wars became its leaders

Euphoria swept the country as Kenyans prepared for what they believed would be the inevitable fall of Mr Moi's regime, which had become increasingly repressive

The ageing president became nervous and tension mounted Ethnic clashes in the Rift Valley region in the west, mainly between Mr Moi's minority Kalenjin tribe and other groups, resulted in scores of dead

Many Kenyans still believe the clashes were instigated by the government to prove Mr Moi's stubborn insistence that multipartyism would lead to tribal conflict.

But then the old-guard leaders of the new FORD party began tearing apart the movement, and with it any hope of a Zambian style smooth transition to a new government

The post-colonial style of repressive politics, with its emphasis on personality cults, appeared in the new party and began to dominate the wrangling for leadership which has resulted in a *de facto* split of the party

Mud slinging took the place of a democratic leadership contest as the octogenarian Oginga Odinga and a younger but partly paralysed, Kenneth Matiba tried to wrest the spoils of pending office from one another

The victor of the chaos in the oppposition ranks is 64-year-old Mr Moi whose Kenya African National Union party is firmly entrenched in the State machinery and quite willing and able to use State funds for its own purposes.

Time is running out The elections have to be held before March 1993 and Mr Moi can set the date

Kenyans are despondent and few believe it will be possible for a viable opposition party to emerge before the elections which many confidently expect to be called before the end of this year

The people are fed up and embarrassed by the display of their leaders and many of the younger generation, like Njuguna Mutonya, say that what the country needs is a younger more vigorous leader

The older generation places much more emphasis on tribal affinities than the younger

Western observers have warned of the danger of tribal differences boiling over into fully fledged civil war But Kenyans have seen the wholesale destruction in neighbouring Somalia and Ethiopia and are more likely to steer a wide course to avoid such open confrontation

But tribalism is not the only difficulty facing Kenya's future

Mr Moi conveniently blames the world recession for his country's economic woes but corruption and mismanagement are as endemic here as in much of the African continent.

Its relations with donor nations are at a low point because of consistent reports of human rights abuses

And repayments on a R20 billion foreign debt take a huge chunk out of its foreign exchange earnings, which are already running dangerously low

The emergence from isolation of South Africa is sure to further impact on Kenya's beleaguered economy

Kenya is a beautiful country Its mountains, game parks and beaches are not only among the most attractive in Africa but the standards of amenities for tourists are generally good

There is some fear that South Africa, which also has the natural attributes and sprawling game parks but an even better tourist infrastructure, will attract those foreigners who stayed away during the years of isolation □

100 famine deaths in Kenya (163)

NAIROBI - More than 100 people and thousands of livestock have died in seven villages in the Turkana district of north-western Kenya Sowetan 23/9/92

Journalists touring the area report that the drought-induced famine had driven many people to the larger towns in the Rift Valley Turkana district commissioner John Ole Moisiany has admitted the seriousness of the famine and has appealed for help to donors, non-governmental organisations and churches

Kenya politicians sue paper (163)

NAIROBI - The opposition Democratic Party of Kenya is suing the ruling party newspaper, *The Kenya Times*, for publishing articles claiming the DP had hired former soldiers to kill President Daniel arap Moi

The DP is claiming R20 million in damages resulting from the articles which it says are defamatory and libellous On Monday the Kenya High Court restrained the newspaper from publishing further articles on the subject until after a hearing on October 5

The offending article carried alleged confessions from former soldiers in which they claimed to have been paid R2 million to kill Moi and other ruling party leaders Sowetan 23/9/92

SA food finally released

STAR 9/10/92

Own Correspondent (163)

CAPE TOWN — After a 10-day delay, a South African shipment of relief supplies for the starving in north-eastern Kenya is finally to leave Mombasa.

The hold-up has made waves in Kenya. It was the main story yesterday in the Daily Nation, Kenya's largest circulation newspaper

The 662 tons of foodstuffs have been stored at the harbour since being off-loaded by SAS Tafelberg late last month.

South African envoy in Kenya Craig Coleman said "We would have liked to have seen it go straight to Wajir"

Yesterday, Coleman's office got the long-awaited letter from Kenya's treasury, waiving duty and value added tax

Earlier this week, the other essential, a letter of clearance from the Commerce Department, arrived.

Last night, Coleman said he was hopeful that the various authorities would be in a position to release the goods today

An exemption by Kenyan authorities of the demurrage fee of 10 200 Kenya shillings (about R1 000) a day was in the pipeline

The food is likely to be flown to Wajir by American military C130 transport aircraft

The Wajir district has been badly hit by drought and the problem has been compounded by an influx of refugees from war-torn Somalia.

The Africa Muslim Agency, whose South African branch was the prime mover in the food shipment, has been involved in famine relief

W/mail 16/10-22/10/92

Moi set to win

NAIROBI Kenya's main opposition party formally split into two parties on Tuesday, increasing President Daniel arap Moi's hopes of winning the first multi party elections in 26 years.

Moi and his ruling Kenya African National Union (Kanu) face a squabbling opposition that has splintered into 10 parties.

Africa in brief

Exiles to be sent home

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NAIROBI - About 32 South African exiles and refugees who fled their country to seek political asylum in Kenya are to be repatriated soon, a spokesman for the United Nations High Commission for Refugees here has said

Mr Panos Moumtzig of the UNHCR said 87 South African exiles had returned home in the past six months But hundreds of others who had registered as refugees had not yet expressed a willingness to go back home, he said

The repatriation programme follows an amnesty announced last year by the South African Government after an agreement with the UNHCR

Sowetan 22/10/92

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SPOTLIGHT ON KENYA AIRLINES

AS THE rand shrinks against world currencies, South Africans wanting to travel to foreign countries are hard-pressed to find affordable destinations

But now that Kenya, less than a four-hour flight away, has opened its doors to South African tourists there's plenty for them to see and do in the East African republic

Something for everyone — at a reasonable price

S/Times (Cape Metro) 25/10/92 (163)

"The price is right and the exchange rate is favourable," says Joe Karluki of Kenya Airways

"Getting there is not expensive Return flights from Johannesburg to Nairobi or Mombasa cost the same and don't cost the earth," he says.

"Our standard economy return fare is R2 4.3, business class (Club Class) costs R2 773 and the ultra luxurious first class ticket costs R3 499

"There are, however, special fares which come in even lower than standard fares For a six to 30 day excursion, travellers pay just R1 629 On a 10 to 45 day excursion basis, the cost is R1 963 These fares represent excellent value," says Mr Kariuki.

"Kenya's currency is the Kenyan Shilling — one rand buys 12 Kenyan Shillings. Although tourists can't buy Kenyan Shillings in South Africa yet, they can use a foreign currency like the British pound or US dollars and buy ~~them in~~ Kenya South Africans no longer require a visa when visiting Kenya," says Mr Kariuki.

"Many tour operators have competitively priced packages. These include air fares, land arrangements and hotel accommodation We like to think that the Kenyan experience starts from the moment passengers board our aircraft

"Visitors to Kenya normally include a visit to a game park, coastal resort and historical sites in their itineraries. Shopping and sampling the fare at restaurants are also popular."

'Why we are the fastest growing airline in Africa'

S/Times (Cape Metro) 25/10/92. (163)

KENYA Airways started flying to South Africa just under a year ago and, because of increased traffic on the route, is expanding its local operation.

According to Joe Karluki, Kenya Airways' regional director for southern Africa, a new route to Mombasa from Johannesburg takes to the air tomorrow and the airline plans to increase its weekly flights to Nairobi from two to three in the near future.

"These routes are good for the airline," he says.

"There's a lot of movement between South Africa and Kenya and travellers include tourists, business people and some ethnic traffic. As of tomorrow, we fly from Johannesburg to Kenya's two largest cities — Nairobi and Mombasa

Kenya Airways is the flag carrier of the Republic of Kenya and was established in 1977 This followed the collapse of East African Airways, jointly run by Kenya, Uganda and Tanzania as partner states.

"In the early days we flew to Europe, mainly to London, Rome and Frankfurt, and to African destinations like Entebbe, Lusaka and Addis Ababa," says Mr Kariuki

"For the first ten months of operation we depended on leased aircraft from the defunct East African Airways but eventually bought them

"A modernisation programme began in 1981 when a group of experts from IATA was commissioned by the government to review the development of the airline.

"The airline continued to flourish and today is the fastest growing airline on the African continent with the youngest fleet of modern aircraft

"In Kenya we run 60 domestic flights per week and we now fly to 30 destinations worldwide We are constantly expanding our network," says Mr Kariuki.

FLYING HIGH ... Joe Kariuki says Kenya Airways' expansion programme is gaining momentum

TOURIST PARADISE .. South African visitors are expected to flock to the tropical island of Mombasa when Kenya Airways starts its direct flight there tomorrow

MOMBASA: TROPICAL PARADISE BY THE SEA

S/Times (Cape Metro) 25/10/92 (163)

TOMORROW marks Kenya Airways' inaugural flight direct from Johannesburg to the island paradise of Mombasa. According to Joe Kariuki, South African traffic is mostly coastal, so the new route has been added to the existing twice weekly service to Nairobi.

"Demand from South African tourists is strong and Mombasa — Kenya's second largest city — is the gateway to the Kenyan coast," he says

"Mombasa is an ideal tropical island destination for local tourists who are tired of the traditional Indian Ocean playgrounds. The island is a fascinating melting pot of cultures, incorporating Arabian, Indian, British, Portuguese, Turkish and African influences," he says.

"Mombasa's beaches have dazzling white sands and shady coconut palms The water is warm for most of the year and swimming is safe — the reef is a protective barrier

"The coastline is a marine wonderland The coral reef teems with marine life and includes more than 200 species of fish. Scuba divers and deep sea fishing enthusiasts are equally at home in Mombasa," says Mr Kariuki

"Fishing excursions and sightseeing trips depart daily from the port A trip on an Arab dhow reveals the splendour of the coastline and is a throwback to a bygone era.

"Mombasa's rich heritage provides many sightseeing opportunities The 16th century Portuguese-built Fort Jesus, the dhow harbour and the old town with its temples and mosques are all attractions," he says

"For shoppers, there's plenty to discover, like colourful and exotic markets with hundreds of goods on display.

"Bargaining is a way of life in Kenya and visitors should expect to haggle over most transactions. The modern business centre caters for sophisticated shoppers.

"Kenya's coastline north and south of Mombasa stretches 402 kilometres The south coast is an almost continuous 60km stretch of silver beaches Coconut groves alternate with charming local settlements backed by the Jardini Forest.

"Also in the area is the Shimba Nature Reserve, home to Kenya's rare roan and sable antelope population At the far end of the south coast is the quaint fishing village of Shimoni, where some of the best game fishing in the world is to be had," says Mr Kariuki

"The north coast has lots to offer tourists, including spectacular beaches and luxury hotel accommodation. A series of creeks are surrounded by cliffs and swamps where bird life and marine life abound Marine parks and ancient city ruins provide tourists with plenty to see

"Historical sites, contrasting cultures, natural beauty and modern facilities all add up to making the Kenyan coastline an unforgettable holiday destination Now it's easily accessible for South Africans through our new direct air link" he says.

AFRICA NEWS Election fever hits Kenya, rival groups clash

Kenya gripped by violence

Sowetan 27/10/92 (163)

■ **Campaigning causes mayhem, police arrest at least 50:**

NAIROBI - Kenyan police arrested up to 50 people in a crackdown on election campaign violence over the weekend, senior government officials said yesterday

The arrests followed violence at rallies of the ruling Kenya African National Union and rival parties, they said

Election fever has gripped Kenya since President Daniel arap Moi said two weeks ago that the first multiparty elections in 26 years would be held "very soon " He has not named a date

Kanu, the two wings of the opposition Ford Party and the Democratic Party have begun hectic campaigning - *Sapa-Reuter*

AFRICA NEWS Police crack down on violence in Kenyan build-up to elections

Moi under attack

■ FEVERISH RUN - UP Eleven charged with throwing stones at motorcade:

Sowetan 28/10/92 163

NAIROBI - Eleven people have been charged with throwing stones at Kenyan President Daniel arap Moi's motorcade during pre-election violence.

It was the most serious incident in a weekend of clashes in the feverish run-up to general elections for which Moi has yet to announce the date

"The 11 were charged late on Monday for threatening the peace by throwing stones at Moi's motorcade," a state prosecutor in the western town of Kakamega, 500km from Nairobi, said.

He said other charges would be presented to the court In Nairobi 12 people were charged on Monday with stoning the motorcade of Vice-President George Saitoti as he left a campaign rally and with "provoking violence". Eight pleaded guilty and were fined

Senior government officials in Kakamega said Kenyan police had arrested up to 50 people in a crackdown on election campaign violence between opposition groups and supporters of the ruling Kenya African National Union

Moi said two weeks ago the elections would be held "very soon" but named no day Kanu, the opposition Forum for the Restoration of Democracy party and the Democratic Party of former former Vice-President Mwai Kibaki have begun affressive and hectic campaigning - *Sapa-Reuter*.

Moi paves way for elections

(163)

Sowetan 30/10/92.

■ No date set yet:

NAIROBI - President Daniel arap Moi has dissolved parliament, paving the way for the first multiparty elections in Kenya in 26 years

Moi did not set a date for the elections in issuing his decree on Wednesday night but by law a new parliament must be elected and seated within three months Voters will also choose a president

Campaigning marred by occasional violence has been underway for weeks by Moi's ruling Kenya African National Union party and a number of opposition groups

Three major opposition parties have emerged since Moi bowed to international and domestic pressure and ended his party's monopoly on power last December

Moi rose to the presidency on the death in 1978 of Jomo Kenyatta - *Sapa-AP*

Democrats fired upon

Sowetan 3/11/92. 163

■ Boys shot while threatening to necklace ruling KANU party woman supporter

NAIROBI - Three schoolchildren were seriously injured when police opened fire on supporters of the Opposition Forum for the Restoration of Democracy at Oyugis in western Kenya on Sunday, it was reported yesterday

They were later admitted to hospitals in the area, the reports said

The boys, aged between eight and 12 years, were among a crowd of FORD-Kenya supporters who had seized and threatened to burn by necklacing a woman supporter of the ruling Kenya African National Union they alleged had been buying and destroying voting cards

The Luo-speaking area is a stronghold of the FORD-Kenya chairman, former vice-president Oginga Odinga, himself a Luo

Two policemen, who had broken into the FORD-Kenya offices to rescue the middle-aged woman, and several other opposition supporters were also injured in the fracas

Violence is already creeping into the unofficial campaigns for the approaching multiparty elections - the first in the country for 26 years - even before President Daniel arap Moi announces the actual date

Police have fought other battles with the opposition - *Sapa-AFP*

Veterans challenge Arap Moi

■ **Kenya is to hold its first multi-party poll in 26 years:**

Sowetan 5/11/92

NAIROBI - Kenyan President Daniel arap Moi will face three veteran politicians in general elections he has called for December 7 - the first multi-party poll for 26 years

All four men have figured in government since independence from Britain in 1963

(163)

Following are their pen portraits

Daniel Toroitich arap Moi, 68 - was vice-president for 12 years under Kenya's founding father, Jomo Kenyatta

Mwai Kibaki (60) - a key figure in ensuring Moi came to power in 1978. He rose to vice-president

Jaramogi Oginga Odinga, 81 - chairman of one faction of the split Forum for the Restoration of Democracy (FORD)

Kenneth Matiba, 60 - Partially paralysed from a stroke he suffered in jail after Moi detained him in 1990 for urging an end to one-party rule - *Sapa-Reuter*

Kenya faces tough road to elections

(163)

BDAY 5/11/92

NAIROBI — Kenya faces six weeks of stormy political campaigning ahead of the country's first multiparty polls in more than a quarter of a century, to be held on December 7.

Eleven political parties said they would enter the fray after President Daniel arap Moi set the date on Tuesday Moi, 68, who has been in power for 14 years, said the poll date was his "secret weapon".

Electoral commission chairman Judge Z R Chesoni announced the date of the vote in a statement and said presidential and parliamentary candidate nominations had to be lodged by November 14

Many people see Moi and his Kenya African National Union as a safe option as opposition parties squabble among themselves and split along tribal lines

His main challenge comes from the Forum for the Restoration of Democracy, led by Jaramogi Oginga Odinga, and the Democratic Party, led by former vice-president Mwai Kibaki.

Moi has accepted independent observers to ensure the polls are fair, but the opposition says they have already been rigged

Odinga said yesterday the polls had been called in an "unreasonably short time".

International observers said yesterday they had expressed their concerns over the organisation of the elections to the government.

About 7,5-million voters have registered but diplomats said a million more were robbed of the vote because they were not issued with identity cards and registration closed early.

Opposition leaders have also complained the government was using state money and the official media to campaign for Moi's party, that civil servants were being intimidated into voting for the ruling party and that opposition meetings were being sabotaged. — Sapa-Reuter

AFRICA BRIEFS

'Dirty tricks' in Kenya (163)

NAIROBI: Kenyan opposition parties on Wednesday accused the government of a dirty tricks campaign to ensure it wins next month's elections. President Daniel arap Moi this week announced Kenya's first multi-party poll for 26 years would be held on December 7. w/mail

"The Kanu (Kenya African National Union) government has employed every trick in the book to ensure that Kenyans are deprived of the very freedom of choice we have fought for for so long," veteran opposition leader Jaramogi Oginga Odinga said. Odinga, chief of main challenger FORD/Kenya, told reporters the polls had been called in an "unreasonably short time". 6/11-12/11/92.

Diplomats said a million voters were robbed of the vote because they were not issued with identity cards and registration closed early. Opposition leaders have also complained that the government is using state money and the official media to campaign for Kanu, that civil servants were being intimidated into voting for the ruling party and that opposition meetings have been sabotaged.

World in brief

Sowetan 9/11/92

Kenyans change loyalties

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NAIROBI - Six former MPs announced at the weekend they had left the ruling Kenya African National Union to join newly formed opposition parties for Kenya's December 7 multiparty elections Four said in statements at the weekend they had joined the Democratic Party

Kenya polls delay likely

Sowetan 13/11/92 (163)

■ **Opposition wins legal right to extend deadline for nomination of candidates:**

NAIROBI - An opposition party yesterday won a court battle to change election rules, which could delay Kenya's first multiparty elections in 26 years, planned for December 7

The High Court granted the Forum for the Restoration of Democracy (FORD) an injunction extending the deadline for nomination of parliamentary candidates

FORD Kenya leader Oginga Odinga said parliament had passed legislation setting the minimum period for nominations at "not less than 21 days" from the announcement of an election, but Attorney-General Amos Wako had changed the provision to read "not more than 21 days"

Judge Tom Mbaluto ruled that the change was invalid

Court sources said the electoral commission planned to appeal the ruling, which could mean postponing the elections, which must be held by January 28 under Kenya's constitution

All eight opposition parties have complained that the snap election announced by the government of President Daniel arap Moi last week left them too little time to organise and hold party elections to select candidates

At least seven people have been killed and an opposition leader wounded this week in escalating political violence - *Sapa-AFP*

Kenyan politicians in bid for Asian support

Sowetan 18/11/92

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■ PANIC SPREADS Memories of Idi Amin's mass expulsions of Asians from Uganda in 1972 haunt Indian and Pakistani families again:

NAIROBI - Kenya's Asian community, resented and envied by many impoverished Africans, is being wooed by all sides in the run-up to landmark general elections on December 29

The ruling Kanu party and its opposition are falling over each other to reassure the 100 000 Asians in Kenya that the next government wants them to stay, despite criticism of their near-total control over the retail trade

Memories of Idi Amin's mass expulsion of Asians from Uganda in 1972 still haunt families of Indian and Pakistani origin

The row forced the opposition Democratic Party, which is led by John Koen, to hold a meeting in Nairobi's Asian-dominated suburb of Parklands on Monday night to reassure them

The controversy began about a month ago when DP presidential contender Mwai Kibaki vowed to pursue Asians he accused of milking Kenya by operating as front men for corrupt and powerful politicians

The attack in Mombasa struck a chord in the hearts of Africans who suspect Asian businessmen of exporting the country's hard currency and of gaining lucrative contracts by paying kickbacks to influential Africans

The *Kenya Times*, a daily newspaper run by President Daniel Arap Moi's ruling Kenya African National Union (Kanu), seized on the speech, accusing the DP of planning to expel the Asians, about 55 000 of whom are Kenyan citizens

Panic spread through Asian suburbs They have made few concessions to Africa, attending mosques and temples they built and living apart from Kenyans and other foreigners Intermarriage is very rare

"All this nonsense about expelling Asians is propaganda by the Kanu-controlled media," Kibaki said on Monday night. His eldest son married an Asian

Koen also said the Asians must stay

"But there are a few of them about three or four, who have been involved in dubious deals It is these that we shall deal with," he said - *Sapa-Reuter*

Kenya set on wooing SA tourists

BI DAY 27.11.92

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DIANNA GAMES

EVEN with its beautiful long white beaches, waving palms and exotic history, Kenya is suffering from the recession-related drop in tourism and is now courting a new and potentially lucrative market — SA.

Kenya Airways introduced its direct flight from Johannesburg to Mombasa at the end of October and flies there twice a week.

The benefits of holidaying in Mombasa are plenty, but Kenyan tour operators are somewhat concerned that South Africans, who have their own game parks and glorious beaches, may not be on the first plane to explore Kenya's delights.

There is also concern that South Africans feel hurt enough about their longtime pariah status in Kenya to keep away

Mombasa itself is on an island which is crammed from one side to the other with teeming life, homes, shops, congested roads with little apparent order to them, a surfeit of old cars including dozens of London taxis which are used for the same purpose.

The beach resorts are lined up along the north and south coasts which seem to compete with each other for business Which is best? It depends who you ask.

The general impression is that the north coast resorts are older and have a more colonial heritage while those on the south coast are bigger, grander and apparently more fun

But despite complaints about the drop off in tourism, one new hotel is to be opened this month and another is nearly completed

A wide range of restaurants seems to be a major part of hotels in Mombasa The enormous Diani Reef Grand Hotel has no less than eight restaurants which take up an entire floor, each with a theme such as Arabian, Polynesian or Italian.

While seafood is said to be plentiful along Kenya's coast, it is still a luxury and, in fact, the major culinary influences are Indian and Chinese.

Mombasa is a colourful place with a consistently warm climate — December is unbearably hot along the coast although it remains peak holiday time

Game park fees are high for non-residents

A tricky tribal balancing act for Kenyan politicians

STAR 27/11/92. (163)

It is impossible to deny the existence of tribalism as a potent factor in Kenyan politics, particularly before an election, reports BARNEY MTHOMBOTHI of The Star's Africa Service

TRIBALISM or ethnicity is a potent factor in Kenyan politics, and a party has to devise a tricky balancing act to reflect all the components of the country's people in its leadership if it is to stand any chance of winning an election

As the December 29 general and presidential elections approach, parties are hurriedly cobbling together what they hope will be winning tribal combinations

Kenya has more than 50 tribal or ethnic groups, but political power cannot be won without a successful juggling of at least the 10 major groups. The tribal factor has been blamed for the failure of the opposition to present a united front against President Daniel arap Moi's Kenya African National Union (Kanu)

The opposition Forum for the Restoration of Democracy (FORD) has split into two, with veteran nationalist, Oginga Odinga, of the Luo tribe, the second largest in the country, leading one faction, and Martin Shikuku, a Luhya, contesting the leadership of the other faction with Kenneth Matiba, a Kikuyu

Fiery Kenyan environmentalist and political activist Professor Wangari Maathai has warned against denying the existence of tribalism or ethnicity as a factor in Kenyan politics, especially for those people who feel marginalised or threatened

Maathai's off-the-cuff comment made at a meeting in Nairobi with a group of South Africans should be of interest to many South Africans who are themselves grappling with the same problem

"Ethnic communities in Africa are no different from nations," Maathai said

"They see themselves as nations They have their own identity, their own language, and their own culture It is impossible to make people forget their roots

"It is important for communities, such as we have here in Kenya, to co-operate because history has put them together

"The problem is we are trying to deny it and to teach our children that ethnicity is wrong, as if it is a crime to belong to your ethnic community

"We can pretend that it doesn't matter until we are threatened, then we start to say who we are and we begin to identify ourselves with our ethnic or race group or our religion

"If there was a more equitable distribution of wealth, if we shared as much wealth as we shared our poverty, I think very few people would be concerned about their ethnic background "

Maathai said one of the reasons why ethnic identity had grown in Kenya since independence was that politicians, especially President Moi, had favoured their own tribe at the expense of others in the distribution of resources

"President Moi has divided the resources of the country among his friends and people of his community in a desperate effort to fence himself from his enemies, and as a result he has marginalised other people

"The ethnic factor in politics is here to stay. You can't tell an Englishman to stop being an Englishman He may tell you he is British, but he knows very well he is English " □

Kenya's elections will worsen the political and economic situation, writes Colin Legum

Democracy brings no hope

B/DAY 1/12/92.

(163)

KENYANS will go to the polls on December 29 to vote in their first multi-party elections for more than a decade However, so far from the elections making a significant step forward to democracy, the outcome is more likely to worsen three of Kenya's major problems ethnic conflict, an economy in crisis, and corruption on a scale equalled in Africa only by Zaire

Whether the post-election period will see a continuing improvement in the country's fourth major problem — the abuse of human rights — still remains an open question

Unless there is a last-minute alliance between the two major opposition parties — the wing of the Forum for the Restoration of Democracy(FORD-Agip) led by the veteran Oginga Odinga, and the Democratic Party (DP) led by the former vice-president Mwai Kabaki, President Daniel arap Moi and his ruling Kenyan African National Union (Kanu) will be returned to power, though with a strong parliamentary opposition

Just how strong and effective will depend on Moi's success — as in the past — to use the patronage of office to buy over MPs

Although Kanu and FORD can claim to be multi-ethnic — at least in their leadership — both are essentially rooted in ethnic communities — the former mainly among the Kalenjin, and the latter among the Luo. The DP draws its support almost exclusively from the Kikuyu who lost their predominant political position after Kenyatta's death.

Ethnic politics and personalities have dominated the election campaign As Moi warned when he was still holding out against abandoning single-party rule, multi-party politics would result in sharpening ethnic conflicts, but he failed to recognise that his own leadership has contributed, as much as anything, to this result

By favouring the Kalenjin minority communities and relying on mostly unrepresentative Luo and Kikuyu Ministers, his period in office saw a widening of the ethnic gulf The late Jomo Kenyatta carried the original blame because of his Kikuyu-centred politics

The octogenarian Odinga — the undisputed leader of the Luo, the second largest ethnic community — clung with the determined passion of an old man nursing an unfulfilled ambition, that of becoming president of his nation before his death His principal rival for this position in FORD, Kenneth Mathiba, a Kikuyu, was no less resolute in his claim to primacy

Their rivalry was centred entirely on personal ambition

The result of their rivalry was a split in FORD, with Mathiba leading a breakaway (FORD-Muthithi) His principal supporter was a populist maverick, Martin Shikuku, a politician from the Abaluhya community Mathiba, who has suffered two strokes and is now physically handicapped, saw his Kikuyu support melt away when Mwai Kibabi launched the Kikuyu-dominated DP

The three challengers for the presidency in this month's elections are Moi, Kibaki and Mathiba The last is a clear loser. An amendment to the constitution requires that a successful candidate should secure 25 percent of the votes in five of the country's eight provinces One can safely rule out Moi's chances of getting anything like 25 percent of the vote in the Luo and Kikuyu provinces, and it is doubtful whether he can get it from the Abaluhya province, but he stands a reasonable chance of winning the necessary plurality in the other five provinces

What is certain is that on their own, neither Kibaki nor Mathiba can hope to win 25 percent of the votes in five provinces The only chance of their doing so and thus ending Moi's 12-year rule is if they could agree on an eleventh-hour alliance to field a single candidate Their antipathy to Moi could lead them to sinking their differences, at least over the choice of president, but while this remains a possibility, right now, it seems unlikely

The state of internal security has been aggravated by the upsurge of ethnic conflict — as exemplified by the violence witnessed in the election campaign

The most savage ethnic conflict in the Rift Valley last May claimed the lives of 779 people Some 654 were injured and 54 000 were displaced from their homes

A minority community which had lived for years in relative peace with their Kalenjin neighbours had become the merciless victims of a racist campaign stoked up by supporters of Moi

A unanimous report by a parliamentary commission — composed entirely of Kanu MPs — put the blame squarely on leading members of the ruling party and, especially, on the controversial former right-hand man of the president, Nicholas Biwott Under Moi's pressure, parliament refused to accept the findings of its own commission Such is the state of government in Kenya

The endemic corruption in Kenya was shatteringly exposed in the London Sunday Express in a series of articles suggesting that £150 million (about R675 million) has been siphoned off from overseas aid money by corrupt politicians These charges focus mainly on Kenya

One of the witnesses, former Kenyan security officer George Luchiri Wajackoya, said that as part of his surveillance duties he listened in to telephone conversations Among those he said he listened to were conversations between Biwott and other Ministers about how to siphon off aid When he reported what he had heard he was detained for a time and then escaped in fear of his life

Swiss adviser Marianne Briner-Mattern said that on one multi-million Italian construction project, Ministers were asking for something like $25 million each (about R75 million)

Italian adviser Domenica Airaghi said "The level of corruption cannot be under-estimated Virtually every item of aid going into Kenya is a target"

Two questions arise Why has President Moi, who continually inveighs against corruption, taken no action against his corrupt Ministers in the past? And can he be expected to cleanse the political system of corruption if he is again returned to office? □

More of the same . . . President Daniel arap Moi and his ruling party, Kanu, will probably be returned to power

focus on Kenya

Sowetan Africa News Service

Multiparty elections in Kenya take place this month and opposition parties are using Zambia's poll a year ago as a model for their campaign to unseat President Daniel arap Moi. But unlike in Zambia, the opposition is hopelessly divided:

Sowetan 8/12/92 (163)

NAIROBI - Kenyan opposition leaders, struggling to unseat President Daniel arap Moi in this month's elections, are using Zambia's poll a year ago as a model for their campaign

And they would be thrilled if they could accomplish the same result as Frederick Chiluba's Movement for Multiparty Democracy (MMD) which expelled veteran Kenneth Kaunda from power

But the Kenyans have failed to clear the first hurdle in their attempt to emulate their Zambian counterparts the opposition Forum for the Restoration of Democracy (Ford) has dissolved into a number of factions whose hostility towards one another even exceeds the venom and contempt reserved for President Moi

"My prayers are that the opposition wins," says the Reverend Peter Njenga of the All Saints Cathedral in Nairobi, echoing the fervent hopes of many Kenyans who want to see almost three decades of rule by Moi's Kenya African National Union (Kanu) come to an end

"Unless we have a miracle from God, I think Kanu will have things the way they want them," says Njenga, a harsh critic of the government

The prospect of Moi's re-election has instilled fear in the hearts of opposition figures Environmentalist Professor Wangari Maathai says should the government be returned to power this month, she foresees a huge witch-hunt against opponents of Moi, whom she accuses of behaving as though the opposition does not exist

Controversial judge

It is also feared that the ruling party could even revert to the one-party system

Moi has, without consulting the opposition, appointed a very controversial judge as chairman of the electoral commission

Mr Justice Zacchaeus Chesoni has been sacked twice from the bench for alleged corruption The opposition believes his record on the bench makes him vulnerable to pressure from Moi Chesoni has already been rebuked by the courts for tampering with the electoral laws

"He's the wrong person to lead the commission," says Maathai, who also heads the Middle Ground Group (MGG), which is trying to unite the opposition behind one presidential candidate

"The ruling party should have held a conference of all political parties to agree on how the game was going to be played The commission should have been appointed by all the interested parties The appointments, the dates, and the machinery of the government should have involved the opposition," said Maathai

And unlike in Zambia, no attempt has been made to cut ties between the civil service - and other structures of the state - and the ruling party

The campaign has also been accompanied by unprecedented violence, especially in the rural areas where ethnic clashes have led to deaths Even candidates have been targets of attacks

The secretary-general of the Democratic Party, John Keen, a former cabinet minister in Moi's government, was seriously assaulted by unknown people a day after announcing his intention to stand against Moi's vice-president, George Saitoti, in the election

Keen has also been summonsed to appear in court on charges relating to a theft allegedly committed seven years ago Other opposition candidates have been similarly treated by government agencies

The opposition says these attacks and court actions are meant to intimidate them

But the biggest obstacle to an opposition victory is the disarray in opposition ranks The optimistic mood which greeted Ford at its birth more than a year ago has waned The burgeoning movement, which was intended to sweep Moi from power, has now split into three factions

Daniel arap Moi

Many say the tribal factor is to blame

The biggest faction, which has renamed itself Ford-K, is led by veteran nationalist Oginga Odinga But many opposition supporters say Odinga, a former vice-president, is too old

"I think the opposition has done itself a great disservice by becoming fragmented, laments Maathai

Her MGG is trying without much success to get the opposition to unite 'We feel very strongly that unless the opposition forms the next government, the democratisation process in this country will be delayed, because the ruling party is not interested in democracy

Leaders to unite

"We want the people to almost force the leaders to unite But they have been very stubborn because every one of them wants to be the next president " Maathai said

A reconciliation meeting convened by MGG was attended by the Odinga faction but boycotted by the others The MGG has now simply drawn up a list of people it thinks will stand a better chance of defeating Moi at the polls Odinga heads the list as presidential candidate, Mr Mwai Kibaki, leader of the Democratic Party, as his running mate, and Mr Kenneth Mathiba, who heads the other Ford faction, as prime minister

"Well, the old man (Odinga) is of course old," Professor Maathai says, ' but he has a very solid block of support from his ethnic community "

Odinga is from the Luo tribe and both Kibaki and Mathiba are Kikuyus The Kikuyus and Luos are the two largest tribes in the country and the list, if endorsed by the opposition, could almost certainly guarantee victory against Moi who comes from the smaller Kalenjin tribe in the Rift Valley But the opposition leaders have refused to bite

"It's (the list) certainly not democratic but we're not dealing with democracy here " Maathai says "We can only restore democracy when we form the government "

She says there are no issues in this election "Nothing Everybody wants to be in power "

But Dr Mukhisa Kituyi, Ford-K's executive director and a parliamentary candidate, disagrees The main issues he says are the economy and a return to constitutional government

Clashes as Kenya poll draws near

Sowetan 7/12/92

■ Opposition groups complain of harassment:

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NAIROBI - Police fired in the air and used teargas to disperse opposition supporters in Kenya on Saturday as political groups stepped up their campaigning for multi-party elections on December 29

Witnesses said police had ordered an unruly crowd to disperse after scuffles broke out when Forum for the Restoration of Democracy (FORD) leader Oginga Odinga tried to address an impromptu rally

In another incident at Eldoret, youth wingers of the ruling Kenya African National Union (KANU) party clashed with supporters of the rival Democratic Party as DP leader Mwai Kibaki arrived.

In a Press statement on Sunday, Kibaki protested against what he said was harassment of his party by police and government officials He said these actions were being ordered by KANU leaders

Kibaki told reporters that the situation threatened security throughout the country

President Daniel arap Moi has denied suggestions that opposition groups are being harassed - *Sapa-Reuter*

NEWS FEATURE *Hatred of other ethnic groups*

Gun law scourge of Horn of Africa

Sowetan 11/12/92 (163)

■ MILLIONS PERISH *Anarchy has reigned supreme since independence:*

NAIROBI - Anarchy in Somalia where US Marines landed this week to end gun law mirrors the endemic conflicts that have gripped Horn of Africa states since independence more than 30 years ago

Millions killed

Wars and famine have killed millions of people, made several millions more refugees and kicked away the crutches of limping economies

"The region's troubles stem from the failure of state authorities and other groups to recognise each other's ethnic differences," Nairobi University political analyst Nick Wanjohi said

"These countries have not developed a culture of violence as such but there is a phenomenon of violence developing that is based on hatred of other ethnic groups," he said

"The problems have been compounded by the lack of government that ensures regular free and fair leadership elections "

A crash into anarchy

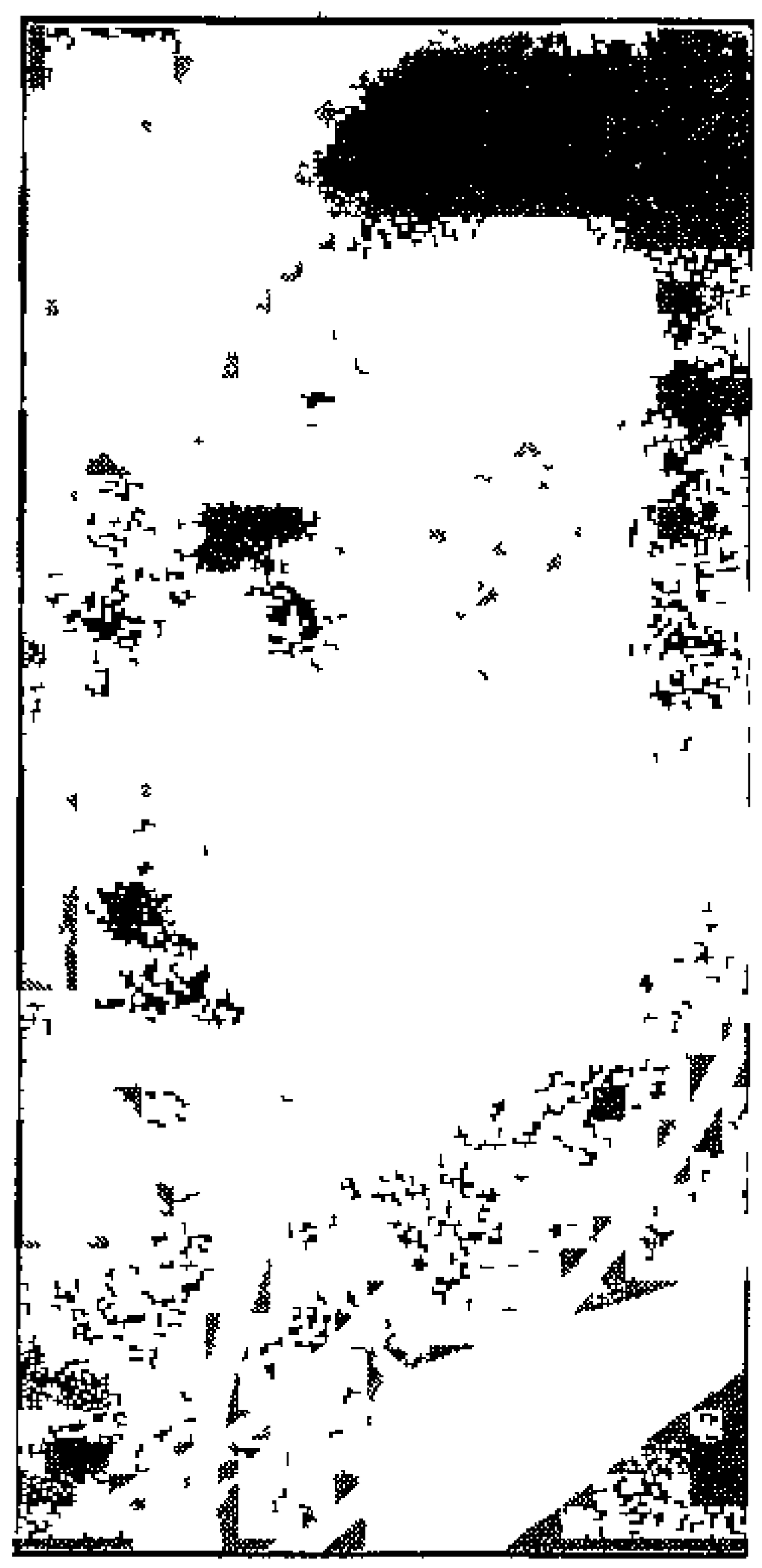
Somalia crashed into anarchy after rebels toppled military dictator Mohamed Siad Barre in 1991

The rebels then turned their guns on each other and a subsistence economy collapsed

More than 300 000 people starved to death before the United Nations decided to send in a US-led force of some 36 000 troops from a dozen countries

About 1,5 million Somalis face starvation and nearly a million others have fled to neighbouring states

The sketch for the other Horn of Africa nations is as follows



Mengistu Haile Mariam

Uneasy peace

Ethiopia - An uneasy peace exists after rebels from the north shot their way into the capital Addis Ababa last year to overthrow Marxist dictator Mengistu Haile Mariam

Mengistu had emerged victorious from power struggles among a group of army officers who had seized power in 1974, toppling feudal chieftain Haile Selassie

Hundreds of refugees

The 30-year war between government troops and rebels in Ethiopia's strategic Red Sea region of Eritrea created hundreds of thousands of refugees and ruined the impoverished country's economy

Sudan - A mainly Muslim country, it has been reeling from armed insurrection by Christian southerners since 1983 About a third of southern Sudan's population of six million has been displaced and hundreds of thousands have fled the country

Djibouti - Djibouti has been riven by fighting between government troops and rebels over the last year

Kenya has been an island of relative stability and prosperity Last year President Daniel arap Moi bowed to opposition and western donor pressure to introduce a multi-party system But there has been fighting in the interior between pro and anti-Moi factions

Wanjohi said the first multiparty general election in Kenya for 26 years on December 29 could point the way forward "All the countries in the region will be watching the elections closely to see how they are held If they are conducted properly, this will help other countries such as Somalia and Ethiopia," he said "If there is cheating and violence; then we are headed for a tragic situation " - *Sapa-Reuter*

Food for 'city of death'

Massacre of 89 Kenyan nomads

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Sowetan 14/12/92

32 women and 42 children among victims of Sudanese tribal raiders:

NAIROBI - Sudanese tribal raiders massacred 89 Kenyan nomads, mostly women and children, in a remote area of north-west Kenya before making off with their livestock, police said

The raiders, who belong to the Toposa and Dongiro tribes and attacked a manyatta (nomadic settlement) at Kokuro near the Sudanese border on Saturday, were armed with sophisticated firearms and other weapons, police officials added

They killed 15 men, 32 women and 42 children and stole more than 7 000 head of cattle, goats, camels and donkeys, the officials said

Clashes between local tribes are common in this semi-desert area but Saturday's raid was the most serious in several years

In 1988 a gang of 400 armed raiders from Sudan killed 191 Kenyans and stole thousands of cattle On that occasion, Kenyan police intercepted some of the raiders and killed 20

Meanwhile, four Western ambassadors walked out of Kenya's main independence celebrations accusing President Daniel arap Moi of turning the event into a political rally for the embattled ruling party

In nearby Somalia, more than 200 US Marines swooped on a military air base in Somalia's interior to secure it for the US-led armed intervention to get food to the starving, a spokesman said

It was the marines' first thrust into Somalia's lawless and famished interior since they reached the capital on Wednesday The airfield at Bali Dogle, about 160km from the capital, is likely to be used as a staging post to secure relief operations for Baidoa, dubbed Somalia's "city of death" - *Sapa-Reuter*

Closure of border highlights tensions

Ever since Uganda's leftist leader disregarded Kenya's peace-broking efforts, President Moi has made his displeasure clear, writes JOE KHAMISI.

Star 14/12/92

(163)

THE CLOSURE last week by Kenya of its border with Uganda is a culmination of almost six years of tensions between the two east African countries

The tensions are as much a result of ideological differences as of personal incompatibility between the left-leaning Yoweri Museveni, the Ugandan president, and Kenya's pro-Western Daniel arap Moi

Heading the National Resistance Army (NRA), Museveni took over the government in 1986 after a fierce five-year bush war, first fighting the government of Milton Obote, and then General Tito Okelo, who had declared himself president after Obote's overthrow. By that time Uganda had undergone 15 years of political turmoil, eight of them under the unpredictable Idi Amin

Only days before Museveni's guerillas marched triumphant into the capital, Kampala, Moi, playing the role of honest broker, had hosted a much-publicised reconciliation meeting encouraged by the OAU in Nairobi between Okelo and Museveni. A peace accord was signed.

But at his headquarters in the bush, Museveni suddenly disregarded the terms of the agreement and his NRA soldiers were in Kampala within days in a surprise attack which saw government soldiers surrendering or fleeing in panic.

Moi was furious and since then has avoided Museveni, even at leaders' summits

On countless occasions Moi has accused Uganda of either being used to send his opponents for guerilla training in Libya or as the base for saboteurs

Moi chose an obscure campaign venue of Siaya in western Kenya, close to the Ugandan border, to announce the closure of the border early this week He said the border was being closed on account of the coming elections At the same time, however, he accused Uganda of training youths to destabilise his country.

Although certain rail and road transportation will continue across the border, the latest incident may disrupt the flow of Uganda transit traffic from the port of Mombasa Ugandan goods account for almost 60 percent of all transit cargo through the Kenyan port, and a long closure could have serious consequences

The closure is also a setback to attempts to revive the East African Common Market — Star Africa Service.□

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The closure is also a setback to attempts to revive the East African Common Market — Star Africa Service □

Rigging charges fly ahead of poll

STAR 18/12/92.

(163)

By Joe Khamisi
Star Africa Service

NAIROBI — The Kenyan presidential nominations this week signalled the start of a two-week dash by eight aspirants to capture the presidency which has been held for the past 14 years by Daniel arap Moi

Nominations for 188 parliamentary seats and more than 500 civic positions were completed a week ago, and the formal 21-day campaign period began

Confirmed

The ruling party, the Kenya African National Union (Kanu), already has a head start

Seventeen Kanu candidates, most of them from Moi's Rift Valley province, have been confirmed by the Electoral Commission as having been elected unopposed for the December 29 poll.

They include Moi himself, he was nominated without opposition for the Baringo Central seat in the Rift Valley

However, opposition parties have challenged these Kanu nominations, claiming their prospective nominees were barred from presenting their papers through foul play

Opposition parties are demanding reconsideration of no less than 45 cases where, they claim, candidates were either abducted on their way to nomination centres, attacked and their papers stolen or deliberately prevented from presenting their documents to voting officers

The violence and chaos that prevailed on nomination day left 50 people injured around the country and led to a protest note from the Commonwealth observer mission here to monitor the elections

One of the three major opposition parties, Ford-Kenya, also threatened to boycott the elections The party's vice-chairman, Paul Muite, said he could not rule out civil war if Moi and Kanu were "rigged" back into power.

"There is every likelihood of violence occurring as a direct consequence of such rigging," Muite said.

Chairman of the Electoral Commission, Judge Zachaeus Chesoni, has appointed a three-man committee to investigate the irregularities

The credibility of the poll was further put into question when five Western envoys walked out of independence day celebrations being presided over by Moi last weekend

The envoys complained that the celebrations had been turned into a Kanu election rally

The ambassadors of the United States, Germany, Sweden, Canada and Denmark later explained, in separate statements, that their credentials did not allow them to be partisan

Kenya edgy before poll

S/Times 20/12/92. (163)

KENYA is approaching its first multi-party elections since 1963 amid accusations of governmental interference and against a background of violence and intimidation

The country is looking forward to the December 29 poll with mixed feelings For the rulers the elections are an unpleasant necessity after pressure from below and the urgings of outside powers

For the ruled, happiness at the prospect of a fuller democracy has been tempered by fear of the turmoil and instability that may come in its wake

From Patrick Bishop in London

Already the run-up to the poll has been marred by violence, with 10 people dying in clashes between rival groups in western Kenya in recent days Gangs of youths shouting party slogans regularly run through the centre of Nairobi, alarming shoppers

In the presidential election eight candidates are challenging Daniel arap Moi, who has ruled the country in a progressively authoritarian manner for the past 13 years

In the parliamentary and municipal elections to be held on the same day a number of opposition groups are challenging the monopoly of power enjoyed by the ruling Kenyan African National Union

The main contenders are the Forum for the Restoration of Democracy led by Mr Oginga Odinga, Kenya's first vice-president, the breakaway Ford-Asili, led by a former cabinet minister, Mr Kenneth Matiba, and the Democratic Party of Kenya, led by another former vice-president, Mr Mwai Kibaki

All three are also contesting the presidency

President Moi has made full use of his position to maximise his and Kanu's chances in the elections

This week one of the independent observer groups who have arrived to monitor the poll said the election campaign had been "significantly compromised" by the government's interference

The US-based International Republican Institute said that after two weeks of travelling round the country it had heard about and witnessed harassment of candidates and supporters, sometimes involving the police force, to Kanu's benefit The IRI also discovered incidents of Kanu buying up identity and voter cards, and bribing candidates and voters

President Moi's main campaign theme has been to try to convince voters that multi-party democracy will inevitably mean that national unity will fall apart as the country divides along tribal lines — *© The 'Telegraph,' London*

Election chaos in Kenya

163

ARG 21/12/92

Argus Africa News Service

NAIROBI — Presidential nominations have signalled the start of a dash by eight aspirants to capture the presidency which has been held for the past 14 years by Daniel arap Moi

Nominations for 188 parliamentary seats and 500 civic positions were completed a week ago

However, opposition parties challenged the nominations They demanded reconsideration of 45 cases where, they claim, their candidates were either abducted on their way to nomination centres, attacked and their papers stolen or prevented from presenting documents

The violence left 50 people injured and led to a protest note from the Commonwealth observer mission

Chairman of the Electoral Commission, Judge Zachaeus Chesoni, has appointed a three-man committee to investigate the irregularities

Famine after floods

Sowetan 21/12/92

NAIROBI - Up to 180 000 people in north-east Kenya are in urgent need of food supplies because floods have cut roads there

Kenya radio yesterday quoted the District Commissioner at Garissa as appealing for an airlift to move food to areas cut off after several weeks of heavy rain

The local famine relief committee estimated that 180 000 people were at risk as it was not possible to transport food supplies to feeding centres (163)

The radio said the Kenya army was being asked to organise an airlift which is 300km south of Mogadishu

World in brief

Famine after floods

Sowetan 21/12/92

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Food for Baidoa

Sowetan 21/12/92

MOGADISHU - United Nations trucks carrying 300 tonnes of food left under armed US escort for the Somali town of Baidoa

Two helicopter gunships hovered above the convoy of 20 white trucks, which carried enough wheat to feed 100 000 hungry mouths for a week It will be the first big convoy of food to reach Baidoa, the "City of Death" at the epicentre of Somalia's famine, since July The last convoy, on November 11, was hijacked on the outskirts of the southern town

RPP rules Djibouti

DJIBOUTI - The ruling party of President Hassan Gouled Aptidon swept to victory in Djibouti's first multiparty election Results of Friday's parliamentary election in the small Red Sea state showed the People's Rally for Progress (RPP) won nearly 75 percent of the vote

Mobutu riots toll

KINSHASA - Authorities in Kinshasa said three people died in a day and night of street protests against President Mobutu Sese Seko in the Zairean capital The Zairean Human Rights League said five people were killed while an opposition newspaper reported eight deaths

Sowetan 21/12/92

Gaddafi's forecast

NICOSIA - Libyan leader Muammar Gaddafi said North Africa was doomed and its people must eventually move to other Arab countries or at least acquire water from their neighbours

Traore case break

BAMAKO - A Malian court trying ex-president Moussa Traore for "blood crimes" has adjourned the case until January 4

Lawyers said defendants needed a rest over the holidays

MPLA troops on alert

Sowetan 21/12/92

■ Shuttle diplomacy to prevent war:

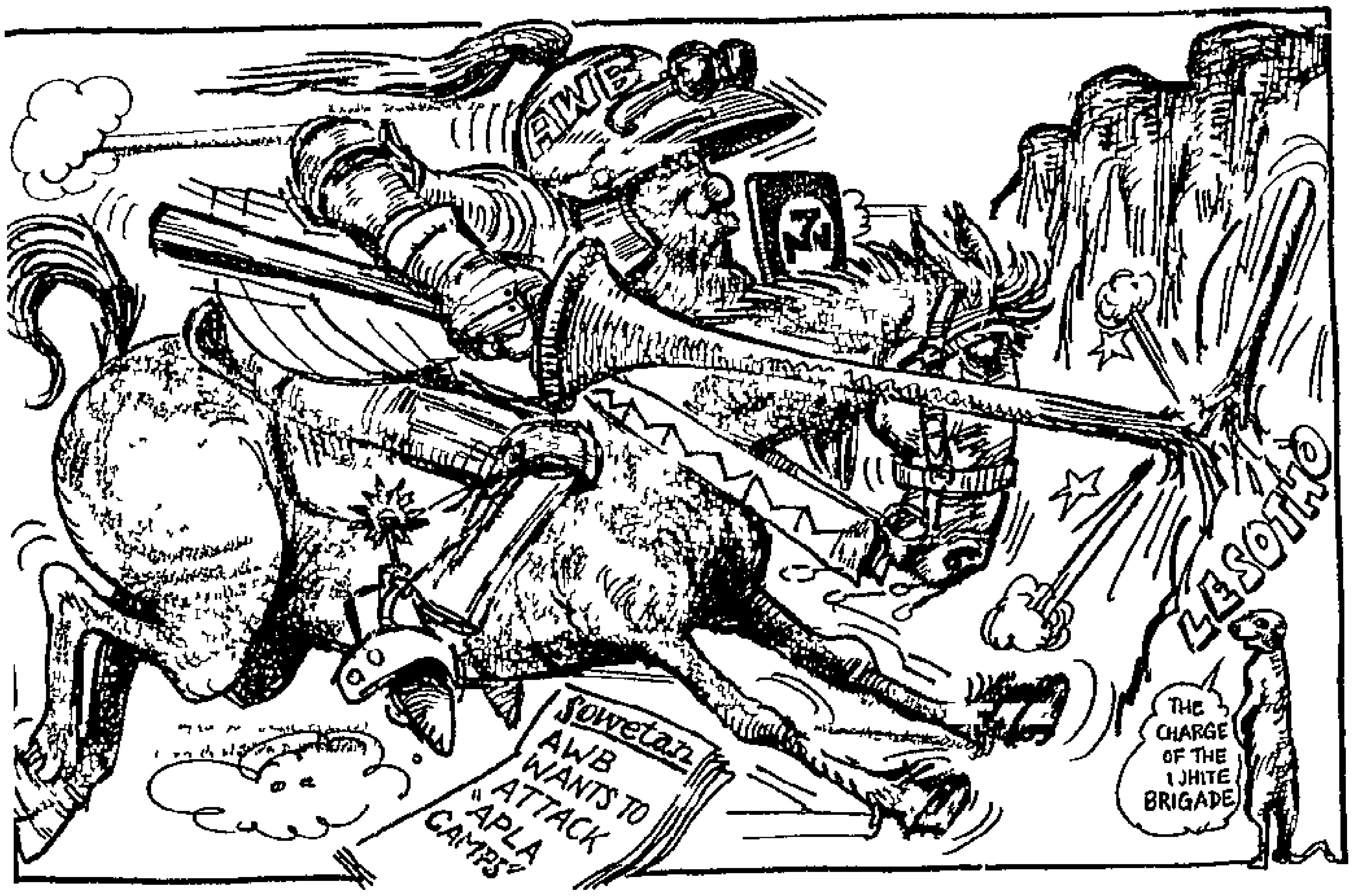
LUANDA - Angolan government troops were put on general alert last Saturday and ordered to respond with full military force as Unita rebel troops were reported advancing on the central region

Rebel forces were building up around Malange, a provincial capital 350km east of Luanda, and Cuito, 300km further south, Angolan state radio reported

Military spokesman General Higino Carneiro said "Regional commanders have been ordered to respond aggressively to any offensive military manoeuvre by Unita"

The military alert came as US Assistant Secretary of State Mr Jeffrey Davidow began a second day of shuttle negotiations between the government and rebel leaders, trying to resolve the crisis that has pushed Angola to the brink of civil war

Government and rebel troops have been at an armed impasse since Unita leader Mr Jonas Savimbi accused the government of rigging multiparty elections in September - *Sapa-AP.*



focus on **Kenya**

The Yuletide spirit has been dampened in Kenya by fears that next week's general election could explode into countrywide violence, **Joe Khamisi** of the *Sowetan* Africa News Service reports from Nairobi on current opinion in the country

Sowetan 22/12/92 (163)

D

NAIROBI - Kenyans will be celebrating a nervous rather than a happy Christmas this year The country's usual festive Christmas spirit has been clouded by the tensions of an election that some Kenyans fear could lead to civil war

Voters will go to the polls just four days after Christmas and the way they vote - or rather, the reaction of the political factions - could either open a new age of political freedom and economic prosperity for Kenya or plunge it into civil strife

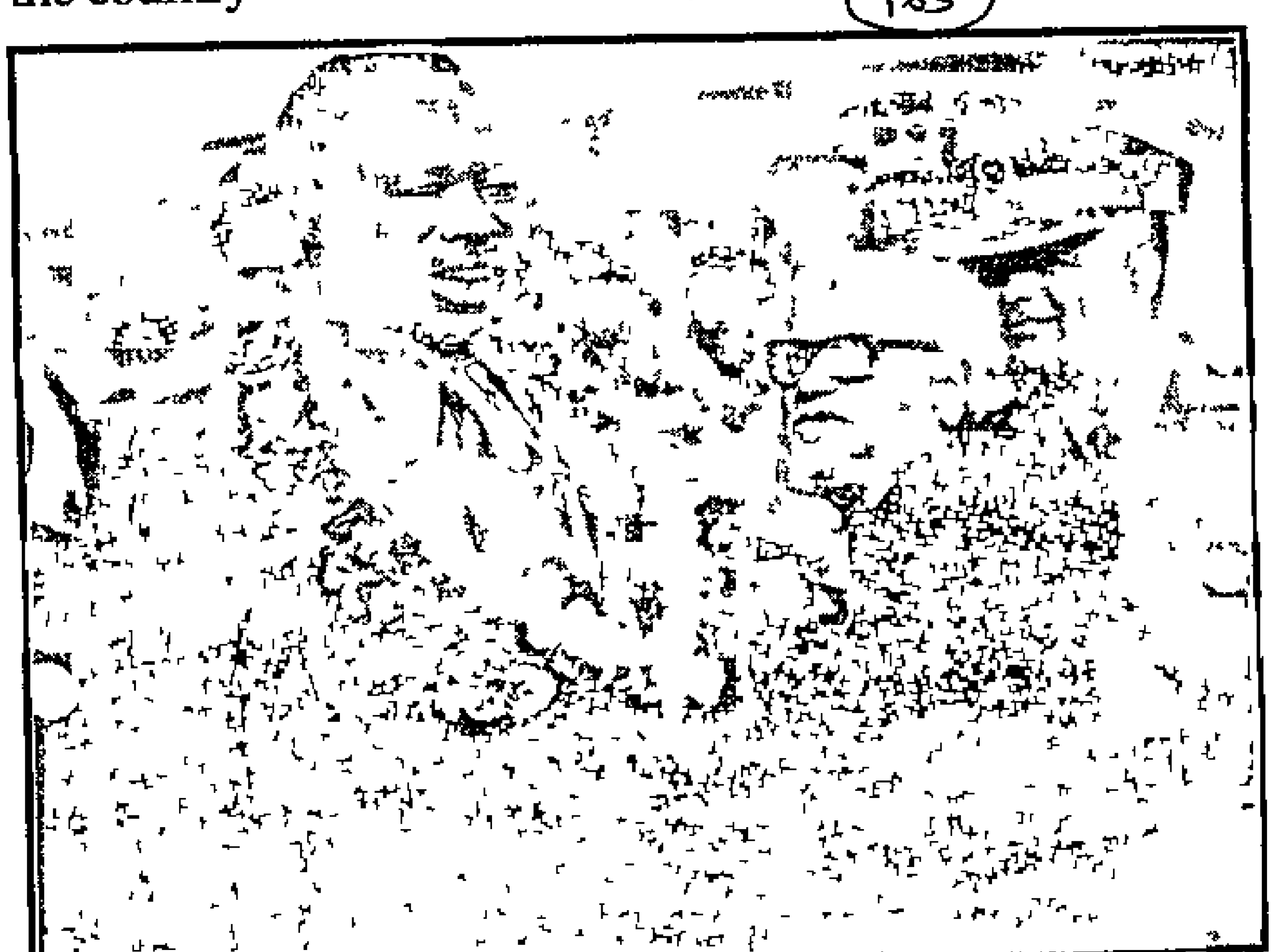
In contrast to previous years the Yuletide spirit has virtually vanished from Nairobi and other major towns Tourism has dropped sharply

Many city dwellers would normally be preparing to leave for the countryside to spend Christmas with relatives and friends there but this year they are unsure whether they will be able to get back

Opposition groups and church leaders have expressed fears that the ruling Kenya African National Union (Kanu) will spring a plot to prevent thousands of people from voting by bringing the transportation system to a halt after Christmas

People who have spent Christmas away from the areas in which they are registered as voters and where they must cast their ballots would then be unable to vote

This fear is based on a suspicion that Kanu is afraid that the heavier the poll the less support the government is likely to get and will therefore try to keep the poll down It would explain why the government chose the seemingly odd date of December 29 as election day



SMILES Kenyan president Daniel arap Moi faces a general election which might rip the country apart with violence next week.

Avoid public transport

"We have told our voters to stay put where they registered and avoid journeys by public transport said Gitobu Imanyara secretary-general of the opposition Ford-Kenya party

"Our fear is that the government will place road blocks on major roads and prevent people from returning to their voting areas"

Rev Samuel Kobia of the National Council of Churches said that if the suspected transportation blockade took place it would be the worst form of election-rigging

Tensions have been increased by recent statements by political leaders Paul Muite, Ford-Kenya's vice chairman has warned of civil war if Kanu manipulates the election to retain power

"If Moi and Kanu rig themselves into power and there is every indication that they intend to do so there is every likelihood of violence occurring as a direct consequence," he said On the other hand, some Kanu elements in the predominantly Kalenjin-occupied Rift Valley province have said they would start a guerilla war if Kanu was not returned to power

After these statements fighting flared again between Kalenjin and other tribes in the province

Thousands of Asians as well as many foreigners are believed to have sought temporary refuge outside Kenya until after the election for fear that it will be marked by violence Western embassies are advising would-be visitors to Kenya to postpone or change their travel plans, although President Daniel arap Moi has assured visitors they will be safe

Major tourist hotels on the coast which are normally full at this time, are reporting large numbers of empty beds Many tourists have cancelled their bookings this Christmas because of uncertainties in the country" said David Strogdalo, chief executive of the Windsor hotel group

Political observers say the most dangerous time will be immediately after the announcement of the result of the poll for the presidency which is expected to come late on December 29

"It will all depend on whether the losers will be willing to concede defeat, said a Western diplomat.

Some think the possibility of violence will be greater if one of the opposition candidates wins than if President Daniel arap Moi is returned for another five-year term Public opinion polls have given Moi less than a two percent margin of victory over his nearest rival Mwai Kibaki of the Democratic Party

To triumph a presidential candidate must not only win the popular vote but he must also get 25 percent of the vote in five of the eight provinces This is thought by some observers to make it unlikely that there will be a clear winner on the first ballot.

If there is no clear winner a run-off must be held within 21 days between the two candidates with the highest margins of support

WORLD Election tension

Indians flee from Kenya

Sowetan 24/12/92 163

■ **Worried by anti-Asian sentiment**

Sowetan Africa News Service

NAIROBI - AS many as 10 000 Asians are believed to have left Kenya temporarily to escape possible violence during the general election next week

The estimate of the number seeking refuge elsewhere has been made by travel industry sources, who said most of the Asians had flown to India, Britain and South Africa

Large numbers have simply driven across the borders into Tanzania and Uganda

The Asians are believed to feel vulnerable to becoming targets of political violence because of the anti-Asian sentiment that has surfaced from time to time not only in Kenya but in Uganda as well

British colonialists

The 80 000-strong Asian community consists mostly of Hindus descended from the labourers brought out from India by the British colonialists to build the Kenya-Uganda railway, and Muslims

Since independence in 1963 few Asians have ventured into Kenyan politics The late Krishnan Gautama won a parliamentary seat in the largely Asian constituency of Westlands in Nairobi some years ago and this year businessman Amin Walji is running for election for the ruling Kanu party in the same constituency

But in a country of 25 million people, the commitment of the Asians is often seen by the Africans as minimal and their allegiance as suspect

The chairman of the Hindu Council of Kenya, Mrs Usha Shah, has spoken bitterly about what she says is frequent negative publicity about Asians in the Press She says it tends to depict the Asian community as aloof, arrogant and corrupt

"Some of the publicity is frightening," she said

About 50 people are estimated to have died in political violence since parliament was dissolved late in October to clear the way for the election on December 29, the first multiparty election in 26 years

WS Moi stamped with a political philosophy ● Three more injured

Moi's long rule challenged

Sowetan 28/12/92 (163)

■ His 14-year grip on power will be put to the vote tomorrow:

NAIROBI - President Daniel arap Moi's 14-year grip on power in Kenya will be put to the vote tomorrow

Following are pen portraits of the incumbent and his challengers:

Daniel Toroitich arap Moi (68) Former herdsboy and school teacher Vice-president for 12 years under Kenya's founding father, Jomo Kenyatta

A Kalenjin tribesman, Moi sidestepped attempts to block his succession at Kenyatta's death and stamped his mark on the nation with a political philosophy he called Nyayo - literally "footsteps" His sometimes nervous grasp of politics ended after an August 1982 coup attempt against him by junior airforce officers

He became a tough-talking leader and jailed many political dissidents as he asserted his authority through one-party rule

Mwai Kibaki (60) A key figure in ensuring Moi came to power in 1978 He rose to vice-president and finance minister but was demoted to health minister four years ago after the president said he was not vocal enough in pledging loyalty

He quit his health portfolio on Christmas Day last year to form his Democratic Party of Kenya (DP), the only opposition group not riven by tribalism or power rivalries

The DP could pose the main challenge to Moi, following the ethnic rivalries that split the once main opposition FORD party into two

Jaramogi Oginga Odinga (81), chairman of FORD-Kenya.

A top leader in the early years, Odinga was vice-president to Kenyatta between 1964 and 1966 before he quit KANU to form his Kenya People's Union (KPU) which was outlawed in 1969 - *Sapa-Reuter*

10 000 Asians flee Kenya before polls

JOE KHAMISI (163) ARG 26/12/92
Weekend Argus Africa Service

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■ See also page 12.

SA MP for Kenyan poll

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A DURBAN MP is to act as an international observer in the Kenyan elections

S1 Times 27/12/92.

National People's Party MP in the House of Delegates Ebrahim Joosab was invited to observe Kenya's elections on December 29 by the International Republican Institute.

De Klerk orders a probe into sale of 'cheap sites'

S[Times 27/12/92

By GEORGE MAHABEER

THE State President has ordered the House of Delegates to conduct an investigation into the sale of prime business sites at a fraction of municipal valuation to two people

And the sale of a service station and business sites in Durban and Cape Town has now been frozen by Director-General Dr Bhadra Ranchod, who has refused to elaborate, saying the matter is sub judice

Acting chairman of the Ministers' Council Baldeo Dookie was summoned to meet President de Klerk and ordered to institute the investigation

Dr JN Reddy, chairman of the Ministers' Council, is on holiday

Mr Dookie refused to disclose details of the investigation, though he admitted it involved the allocation of sites

Opposition leader Amichand Rajbansi drew the State President's attention to "serious allegations of maladministration bordering on fraud and corruption in the HoD"

Mr Rajbansi claimed that a northern Natal man who was displaced as a baker and tearoom owner had been allocated a service station site in Cato Manor, and two prime sites, including a service station, in the Chatsworth Centre

The municipal valuations of the Chatsworth sites are estimated at more than R4-million, but the HoD had received instructions to sell it to the northern Natal man at half the price, he said

In Cape Town a man who had his business site in Elsies River expropriated is being allocated a petrol service station site and a business property at a cost of R120 000. The municipal valuation is more than R1,2-million

Mr Rajbansi said he had asked the State President to investigate why these cases were treated favourably while other businessmen had to pay the market value of the properties

He said that he had informed that a senior politician had issued the instruction for the properties to be sold at a fraction of its valuation

Kenyans in for a bumpy ride

STAR 28/12/92. (163)

Kenya holds its first multiparty election in 26 years tomorrow against a background of kidnappings and attacks. ALASTAIR MATHESON argues that it will be a miracle if these polls are free, fair, or even free from fear.

NAIROBI — If the kidnappings, assaults, thefts and harassment which marked the nomination of many opposition candidates is anything to go by, Kenyans are in for a rough time when the actual voting takes place tomorrow in their historic multiparty election

In the huge Rift Valley province, where President Daniel arap Moi's Kalenjin tribesmen rule the roost, no fewer than 17 candidates of his ruling Kenya African National Union (Kanu) party have already been elected unopposed This is because their opposition opponents claim either to have been kidnapped, or prevented by roadblocks and other delaying tactics from presenting their nomination papers on time

The official Kenya News Agency reported yesterday that three people were seriously injured and a car belonging to opposition Forum for the Restoration of Democracy (FORD) secretary general Martin Shikuku was damaged in a clash in western Kenya According to the agency, the trouble started when Shikuku drove past the venue of a campaign meeting by Francis Atwoli, a parliamentary candidate of Kanu, as he was heading for his own campaign rally venue

The agency did not indicate whether Shikuku was also injured in the ensuing stone-throwing and fighting before police intervened and restored calm

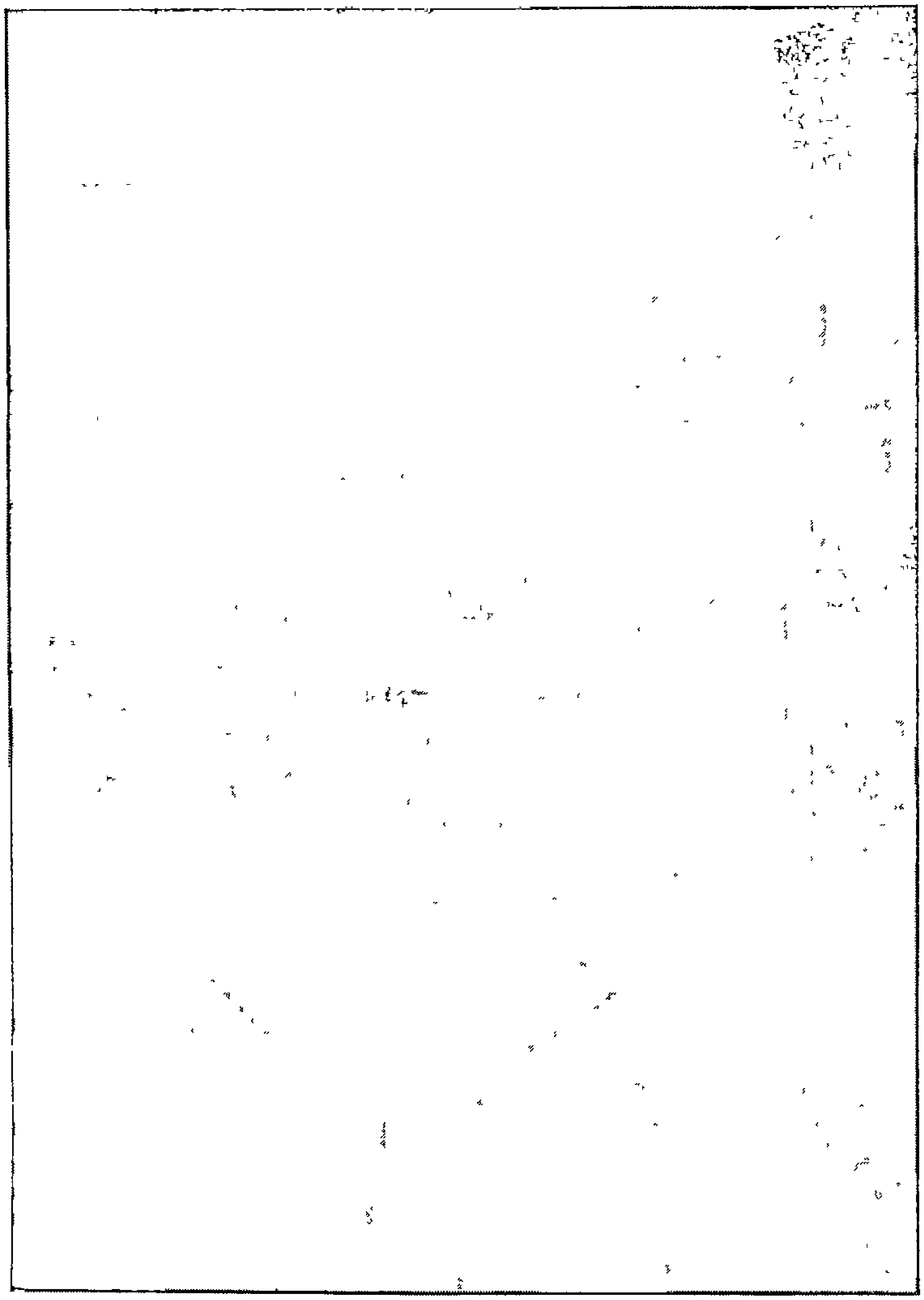
Stand

This is just one of the latest violent incidents

Earlier, a Kikuyu aspirant who dared to stand against Moi in his Baringo central constituency, Dr Patrick Njuguna, alleged that he was thrown off a bus on his way to the nomination centre after having his papers torn up As he arrived too late to register, Moi, who has never had to fight an election in his 35 years in politics, was again elected unopposed However, Njuguna now has a petition before the courts, one of many from nomination day

Moi's supporters have lavished unlimited funds on trying to entice opposition candidates to defect to Kanu Pressure groups run by yuppies, such as "Operation Moi Wins" and "Youth For Kanu 92", have been denounced by church organisations as "the beginnings of a fascist movement in Kenya".

Their aim — to cause confusion in opposition parties — knows no bounds On December 12 they hijacked Kenya's sacred national day, celebrating 29 years of independence, by turning it into an election rally for Moi and Kanu, brass bands, choirs and banners proclaiming Kanu's achievements



Feeling the heat . . Kenyan presidential candidate Kenneth Matiba, of the Forum for the Restoration of Democracy, peers at supporters at a weekend rally. Mathiba is recovering from partial paralysis after a stroke in jail after President Moi detained him in 1990 for urging an end to one-party rule Matiba, a former Cabinet Minister, is a wealthy and influential Kikuyu with a populist touch Picture AFP

This blatant manipulation of Independence Day so offended some Western diplomats that five walked out of the Nairobi celebrations just as Moi was about to address the nation They were the ambassadors of Germany, the US, Sweden and Denmark and the Canadian High Commissioner

After many weeks when opposition campaigners found themselves treated almost like criminals by civil servants and police, Moi made a sudden U-turn He ordered the administration and the security services to give freedom of movement and protection to all candidates of the seven opposition parties

But the clever Catch-22 clause in the electoral laws remains untouched This is the proviso that the next president to be chosen at these polls must have at least 25 percent of the votes in each of the eight provinces

With the ethnically composed nature of most opposition parties competing against the nationally structured Kanu party, Moi is likely to win the presidential stakes unless the three main opposition parties reach some form of last-minute merger

It was no coincidence that the concessions to the opposition came on the eve of the arrival of a large Commonwealth team of election monitors

They came close on the heels of the 50-member American group from the International Republican Institute, who lost no time in expressing concern over what they saw as the very close link between the government machine and the Kanu party

The Commonwealth monitors joined with the Americans in drawing attention to the opposition's lack of access to the State-operated radio and TV networks

These strictures enraged the pro-Moi pressure groups to such an extent that one "Youth For Kanu 92" official called for the expulsion of the entire American team, as well as a BBC correspondent

Moi's main election platform has been that only he and Kenya can prevent the country from a civil war, but ironically much of the violence in this election campaign has been by his own over-eager supporters or those paid by them from Kanu funds

Forced

Most sinister have been the sporadic tribal clashes which have forced large numbers of non-Kalenjin in the Rift Valley's self-proclaimed Kanu zones' to flee for safety after seeing neighbours hacked to pieces by spear and bow and arrow-wielding "warriors" egged on by highly inflammatory speeches by senior Kanu office-bearers This violence has erupted for a third time, despite orders to the police to shoot at all armed men found in such troubled areas

With over 20 000 Kikuyus, Kisii, Luo and others huddled away from their homes in church compounds, the problem now arises as to how they can cast their votes In a last-minute move, the government has arranged for mobile polling booths to be sent to where the "refugees are situated"

Faced with so many negative factors they see as working against them, leaders of the three main opposition parties have even considered a boycott of the imminent elections if a merger proves impossible to achieve — The Observer News Service

● Ebrahim Joosab, a National People's Party MP, has been invited to observe Kenya's elections by the International Republican Institute — Sapa.

Sowetan 18/12/92

ng with Kenya's National Electoral Commission"

Nominations row

Sowetan 18/12/92

NAIROBI - Commonwealth monitors yesterday called for a speedy resolution to a dispute about candidates' nominations for Kenya's first multiparty elections in more than two decades, saying they viewed it as a "grave" matter

(163)

"The nominations ~~did reveal~~ a situation needing improvement It is an issue of grave gravity," Judge Telford Georges, head of the Commonwealth election observers, told reporters "But there is still time We do hope the government can play free and fair We shall seriously take up the matter

Asians flee on eve of elections

163

NAIROBI — As many as 10 000 Asians are believed to have left Kenya temporarily to escape possible violence during tomorrow's general election

The estimate of the number seeking refuge elsewhere has been made by travel industry sources, who said most of the Asians had flown to India, Britain and South Africa Large numbers had driven across the borders into Tanzania and Uganda STAR 28/12/92

About 50 people are estimated to have died in political violence in Kenya since the country's parliament was dissolved late in October to clear the way for the first multiparty election in 26 years — Star Africa Service

● Kenyans in for bumpy ride — Page 6

Kenyan economy in casualty ward

STAR 29/12/92 (163)

NAIROBI — Kenya's economy, once the envy of Africa, is in the casualty ward awaiting today's general elections and a surgeon with the courage for a major operation

Deprived of lifeblood aid by impatient Western donors, the economy is shrinking and only major surgery can put it back on its feet, diplomats and economists say.

Like its outdated one-party political system, Kenya's economy is littered with anachronisms inherited from colonial rule, such as the web of state control over agriculture and industry

The state accounts for half of salaried employment.

The outgoing government of President Daniel arap Moi has promised donors and multilateral agencies it will bite the bullet of reform to win back balance of payments support worth a crucial $40 million monthly

"We've heard these promises before," said one Western envoy "What we want to see now is action. These are critical times and require bold action"

Whoever wins the presidential and parliamentary polls will take the reins of an economy going backward. Every key indicator is pointing the wrong way, except potential

"This country has so much going for it," said a corporate banker "It's got resources and it's got people What it doesn't have right now is the right kind of economic leadership"

Crunch decade

The economy grew by a dismal two percent in the year to April, half the birth rate and half the level of the previous few years The figure, said the banker, was proof that the 1990s were the "crunch decade"

A blend of coffee, tea, tourism and generous Western rewards for political stability insulated Kenya from much of the upheaval other African states suffered in the 1970s and 1980s

A bulwark against Marxism during the Cold War, Kenya was rewarded by the West with aid and a blind eye to isolated instances of human rights abuse and the growing cancer of corruption which flourished under one-party rule

The end of the Cold War changed that

A year ago the West stopped propping up a Kenyan economy which did not match up to its new criteria of "good governance, accountability and transparency" — World Bank slogans

Many regard Kenya as a test case of Africa's ability to follow Southeast Asia and Latin America down the road from dictatorship and decline to pluralism and prosperity

The donors want peasant farmers, the backbone of the economy, rewarded in cash for their tea and coffee instead of seeing profits strangled in administrative state machinery

Tea farmer James Michuri gets about one US cent for every kilogram he grows The semi-state Kenya Tea Development Authority gets 19 cents "Where is the rest of my money?" he asks

Swallowed by costs, is the government reply

Inflation is running above the officially admitted 20 percent and may be double that, economists say There has been no new investment of any kind in the past year

Political turmoil and recession at home have cut tourist arrivals by up to 40 percent, tour operators say The very change the West demanded has led to an atmosphere which has driven tourists away, Kenyan officials complain

Finance Minister George Saitoti has canvassed World Bank and International Monetary Fund support for a reform package he says will take root when Moi wins the elections

Liberalisation

Western backing for the reforms, which include sell-offs, liberalisation of the banking system and the freeing of the key coffee and tea sectors, will depend upon a World Bank/IMF review of Kenya's books early in the new year

Saitoti said on return from visiting the World Bank and IMF that restoration of aid was just around the corner Diplomats familiar with their assessment say it is further away than that.

"There is a feeling in Kenya that all they have to do is to promise something," said a Washington economist

"But that's no longer the case We want results, whoever wins" —Sapa-Reuter

Kenyans (163) flock to vote in first poll for 26 years

STAR 29/12/92

NAIROBI — Hundreds of thousands of Kenyans turned out early today to cast their votes in the country's first multiparty elections in 26 years

Two hours before polling stations were due to open voters formed long queues to cast their ballots

"The turnout is impressive We hope 80 to 95 percent of the electorate will vote," a National Electoral Commission official said.

There were no reports of violence in the capital after months of campaigning marred by bitter recriminations and tribally based unrest in which scores of people were killed

Unconfirmed reports said youths loyal to the ruling Kenya African National Union (Kanu) party and opposition groupings had clashed in the town of Nakuru, 180 km west of Nairobi No other details were available

Voters in the capital mainly complained that the process of casting their votes was slow

"First, the stations open later than the appointed time, and then the presiding officials are just too slow. It takes 15 minutes to go through the process when five minutes would do," said Njuguna Karanja as he waited to cast his vote

President Daniel arap Moi and Kanu face seven rivals Moi, who is 68, was due to vote at Sacho, the village where he grew up in his Rift Valley powerbase

His main rivals, veteran opposition leader Jaramogi Oginga Odinga of FORD-Kenya, ex-Minister Kenneth Matiba of FORD-Asili and former vice-president Mwai Kibaki of the Democratic Party of Kenya (DP) were also due to vote in their rural fiefdoms

Other parties are the Kenya National Congress (KNC), the Kenya Social Congress (KSC), the Kenya National Democratic Alliance (Kenda) and the Party of Independent Candidates of Kenya (PICK).

Moi, a reluctant convert to multiparty politics, and the National Electoral Commission have pleaded for peace during the election. — Sapa-Reuter

● Critical year ahead for reform — Page 13

Kenyans caught up in election fervour

ARG 29/12/92

(163)

Argus Africa News Service

NAIROBI. — Just under eight million Kenyans started voting today after a campaign marred by violence and allegations of election rigging.

On the eve of Kenya's first elections in 26 years, a man was hacked to death during clashes between government and opposition supporters, while in Mombasa police used tear gas yesterday to disperse hundreds of Islamic fundamentalists protesting at a trial of one of their leaders.

In the capital, voters started queuing two hours before polls opened at 6am. At one polling station, voting started two hours late as electoral officials struggled to follow the procedures and assure election agents that everything was being done according to the rules.

At another polling station, when voting eventually started, the situation threatened to get out of control when some voters tried to jump the queue, which had stretched right around a city block.

Enthusiasm is running high at the polling stations — despite the banning of party slogans and any form of party campaign material.

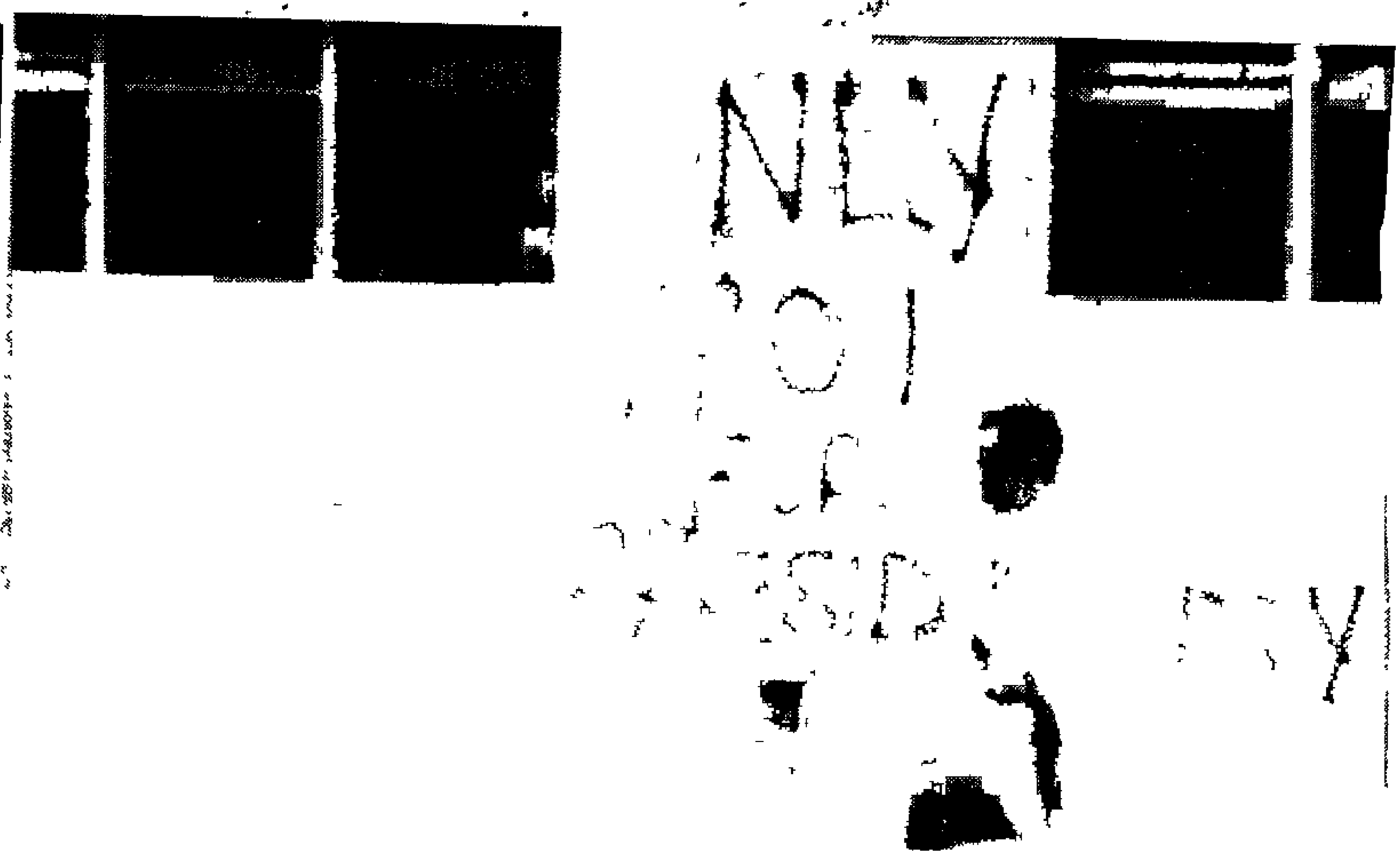
There have been no reports so far of violence today, but fears of unrest remain high — especially in the turbulent Rift Valley province, where inter-tribal clashes have left many dead and thousands homeless.

Businesses are closed today to allow people to vote before the 6pm cut-off.

Results from polling booths around Nairobi and from other urban centres are expected a few hours after the close of voting. But it may be days before the results from some seats in outlying areas become known.

The government announced elaborate security arrangements yesterday to prevent any untoward incidents during the election. Attorney-General Mr Amos Wako said police would use air patrols to monitor polling stations.

Voters are casting their ballots to elect a president, 188 members of parliament and thousands of local authority representatives.



A woman carrying a child on her back hurries past graffiti in a Nairobi street urging voters to elect incumbent president Daniel arap Moi. Kenya's first multiparty elections in 26 years are to be held today.

Picture AP

100 injured on eve of voting in tense Kenya

(163)

BDM 27/12/92

NAIROBI — More than 100 people were hurt in gunfire and a stampede involving national election rivals, police said yesterday

Kenyan monitors said today's voting would be severely compromised by poor security in many districts

About 7,9-million people are eligible to vote in Kenya's first multiparty elections in 26 years

Despite opposition charges of corruption and human rights abuses, President Daniel arap Moi is widely expected to win re-election

The ruling Kenya African National Union, although no longer the only party, is expected to dominate the 188-seat National Assembly.

Shooting broke out on Sunday night between backers of Moi and Oginga Odinga, one of seven opposition presidential candidates. Some were trampled when hundreds fled the scene near Moi's official residence in Nakuru.

The national election monitoring unit said free and fair voting was only a remote possibility.

"There is a very high probability of violence in those areas," chairman Duncan Ndegwa said.

Some political parties were seriously disadvantaged, the observer group said, because the state-run Kenya Broadcasting Corporation denied them air time

The observer group planned to place more than 8 000 poll watchers at voting stations today.

However, whoever wins the election will find it tough going to win back aid from Western donors demanding speedy economic reforms and austerity measures.

Donors froze about a third of Kenya's $1bn-a-year in foreign aid last year, pending far-reaching political and economic reforms.

Diplomats said whichever party headed the next government would have to work hard to convince donors that it would trim Kenya's swollen state sector and crack down on corruption

"Donors are looking for action on the economy, not just lip service to free market ideals," said a Western envoy. "Politics is only the first step"

Other diplomats said the belt-tightening measures needed to revive Kenya's ailing economy, such as cutting government jobs, would inevitably be unpopular

The economy grew only 2% last year Tourism, the biggest foreign exchange earner, has been hard hit by a spate of attacks on foreign visitors earlier this year, political violence and the recession in the West. — Sapa-AP-AFP.

NEWS IN BRIEF

B/DM 30/12/92 (163)

Peaceful Kenyan poll

KENYANS queued for hours yesterday to cast their ballots in the first multiparty elections in 26 years, despite pre-election violence that left at least 30 dead.

Pessimists who predicted chaos on polling day were proved wrong as Kenyans turned out peacefully in massive numbers to determine Kenya's new democratic future. Final results are expected at midday today.

Kenyan polls peaceful despite irregularities

(163)

STAR 30/12/92

By Barney Mthombothi
and Joe Khamisi
Star Africa Service

NAIROBI — Results of yesterday's elections in Kenya have not yet been announced — more than 12 hours after the polls closed

Electoral officials are to address the media this morning to explain the delay

This morning a local radio announced election results from a few areas which showed President Daniel arap Moi of the Kenya Africa National Union party and Mwai Kibaki of the Democratic Party in the lead for the presidency But it is still too early to predict the winner.

Missing ballot boxes, wholesale omission of names in voters' registers and other irregularities marred what was otherwise a peaceful election — the first multi-party poll in 26 years.

The voting, set to begin at 6 am, was delayed in certain areas by as much as 10 hours. In one constituency in Busia district voting was delayed until about 4 pm, a mere two hours before the close of voting, because the presiding officer and his deputy could not agree on the voting procedures

In Mombasa voting was delayed by seven hours because about 1 000 clerks refused to start work unless they were paid their salaries The counting of votes from Mombasa had not started by this morning

In Eldoret in western Kenya thousands of people displaced by earlier ethnic clashes did not vote because the mobile polling stations they were promised did not arrive

In Siaya it is reported that panic-stricken voters watched in disbelief as a six-man, gun-toting gang last night grabbed three presidential ballot boxes and sped away in a car Authorities, however, could not confirm this

Opposition parties have claimed that irregularities occured around the country In Tigania in Meru district, for instance, six ballot boxes and an unknown number of ballot papers went missing and as a result six polling stations reportedly had no adequate supply of ballot papers

Mwai Kibaki of the DP said yesterday there had been a lot of irregularities in the voting, but he said his party would reserve comment until after the elections. He urged his supporters to remain calm

The Minister of Environment and Natural Resources, Philip Leakey, was nearly assaulted yesterday by angry voters

He had gone into one of the Nairobi polling stations to inquire whether his agents and those of other KANU nominees were having difficulties, only to receive a hostile reception from queuing voters who accused him of being there to rig the ballot papers. Mr Leakey was escorted to safety by the police

ARG 31/12/92 (163)

Kenya hovers on brink of anarchy

NAIROBI — Kenya hovered on the edge of anarchy today after the two main opposition parties said they would pull out of historic multi-party elections because of alleged rampant ballot-rigging and other irregularities

"We know that our withdrawal could result in an eruption of violence That is why we are acting with restraint, that is why we are giving the national electoral commission another chance," said Democratic Party of Kenya (DP) leader Mr Mwai Kibaki

He and veteran opposition figurehead Mr Jaramogi Oginga Odinga of the FORD-Kenya party said they had witnessed blatant rigging of the country's first multi-party elections in 26 years but wanted to give authorities "a chance to save democracy"

Political scientists at the University of Nairobi said that if Mr Kibaki and Mr Odinga pulled out at a late stage in the elections, they would set the scene for chaos and bloodshed in the country

"We are talking about massive shows of support for the two in the streets, we are talking of riots, looting, anarchy," said one political scientist.

Opposition parties have reported cases of bribery, intimidation of voters and opposition agents, mix-ups in presidential and parliamentary ballot boxes and papers and, in some cases, lack of ballot boxes

Sporadic incidents of violence erupted across the country yesterday — Sapa-Reuter

Moi leads

Sowetan 31/12/92

(163)

- **Delay in releasing results creates gowing tension in cities:**

NAIROBI - Early returns in Kenya's first multi-party elections in 26 years yesterday showed President Daniel arap Moi surging ahead of opposition rivals in his traditional powerbase

Initial results from Tuesday's voting had Moi leading the presidential contenders in four out of six constituencies where counting was completed

In Nairobi, riot police fired in the air to disperse an angry crowd that set upon an election official accused of trying to rig the results No deaths or serious injuries were reported

The crowd spotted the official arriving at a high school used as a counting station carrying a number of ballot papers, both marked and unmarked

The four constituencies showing Moi with a commanding lead were all in his Rift Valley powerbase The contest was expected to become much closer as provinces where the opposition is strong began to declare results late yesterday

Moi far ahead as early returns are counted

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B/001

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31/12/92

The four constituencies showing Moi with a commanding lead were all in his Rift Valley powerbase The contest is expected to become closer as provinces where the opposition is strong declare results

In Konoin constituency, Moi polled 25 562 votes His seven rivals received a total of 2 701 votes. He also won the presidential race in Baringo East where he won 9 183 votes against his rivals' 45

(163)

In Kerio East, the 68-year-old president who has held power for 14 years, scored 16 408 votes against his rivals' 167, while in Bomet he polled 42,841 against his rivals' 82.

The results placed leading opposition figure and former vice president Mwai Kibaki second after he won his Othaya constituency with 31 976 votes He also carried Bonchari with 5 282 votes

National electoral commission officials said they recounted votes manually to satisfy parliamentary and presidential candidates — Sapa-Reuter.

Chaos feared after Kenya poll 'rigged'

(163)

STAR 31/12/92.

NAIROBI — Kenya hovered on the edge of anarchy today after two main opposition parties said they would pull out of historic multiparty elections alleging rampant ballot-rigging and other irregularities

"We know that our withdrawal could result in an eruption of violence That is why we are acting with restraint, that is why we are giving the National Electoral Commission another chance," said Democratic Party of Kenya (DP) leader Mwai Kibaki

Kibaki and veteran opposition figurehead Jaramogi Oginga Odinga of the FORD-Kenya Party said they had witnessed blatant rigging of the country's first multiparty elections in 26 years but wanted to give authorities "a chance to save democracy"

"We are seeing things which are very queer indeed," Odinga told a news conference "There is no fairness here"

Political scientists at Nairobi University said if Kibaki and Odinga pulled out at a late stage in the elections they would have set a perfect stage for chaos and bloodshed

"We are talking about massive shows of support for the two in the streets, we are talking of riots, looting, anarchy," said one political scientist who declined to be named

Opposition parties have reported cases of bribery, intimidation of voters and opposition agents, mix-ups in presidential and parliamentary ballot boxes and papers, and in some incidents lack of ballot boxes

The National Electoral Commission (NEC) said polling began late in most areas across the country on Tuesday and some contituencies were still casting votes late yesterday

President Daniel arap Moi, a reluctant convert to multiparty politics, needs the "thumbs-up" from the Commonwealth if he is to have any hope of winning back foreign aid of some $40 million (about R96 million) withdrawn in 1991 in protest at the slow pace of reform

Intimidation

NEC chief Zaccheous Chesoni said elections in at least one area had been put off to Friday due to a ballot paper shortage

Sporadic incidents of violence erupted across the country yesterday after officials said polling had been peaceful.

One person was killed and the two parties said irregularities also included police intimidation, importation of marked ballot papers after voting and deliberate delays in vote counting to give time to rig results

The Commonwealth and the European Community, which are monitoring the polls, expressed deep concern at the events

Most Kenyans nervously awaited the final results barricaded in their homes Shops remained closed with Asian owners fearing violence. Nairobi was unusually cold and still

All were preparing for a second sleepless night, results having been delayed by irregularities in counting centres

In little groups in Nairobi's surburbs, people stayed close to their radios or watched television in community centres

Results of presidential polls in 60 constituencies counted so far put Moi well ahead in his ethnic powerbase province of Rift Valley, the Muslim-dominated coast and the north-east of the country where there has been little opposition activity

The DP and FORD-Kenya said they wanted a re-run of the elections in 65 constituencies Both Kanu and the NEC were likely to dismiss the demands

"We are not going to allow kangaroo elections in this country We might withdraw even in areas where winners have already been declared," DP spokesman Jacob Mutula said

"There were many matters for concern in the lead up to the elections," Commonwealth monitoring team leader Justice Telford Georges said

He said, however, that no final verdict would be given until tomorrow, when monitors report back from most of the 188 constituencies at stake — Sapa-Reuter

Star 11/11/93

Food for thought for SA

(163)

AS South Africa struggles to accommodate its ethnic diversity in a new political dispensation, Kenya is having its own problems with ethnic violence and its political implications, Star Africa Service reports from Nairobi

In defending his one-party dictatorship last year, President Daniel arap Moi warned that pluralism would bring ethnic chaos to Kenya. On the face of it, he seems to have been right.

Less than a year after its first multiparty election in three decades, Kenya is engulfed in ethnic strife involving a number of tribes in different parts of the country. Hundreds have been killed and thousands made homeless.

There is no accurate count of the toll, for the authorities have released no figures. Last June, a parliamentary committee appointed to investigate tribal clashes in the Rift Valley and western Kenya said 800 people had been killed in the fighting.

Since then, the death toll has risen to a level that can only be guessed at, but could be twice as high.

While the tribal fighting does seem to have borne out Moi's prediction, only subjective judgments can be made on whether it was caused by the end of one-party rule.

The multiparty election was forced on Moi by western donors suspending their vital economic aid. But Moi's ruling Kanu Party was returned to power after the opposition parties split and fought. Kanu blames the opposition for instigating the fighting in order to create problems for the government and discredit it.

The opposition, however, accuses the Kalenjin-dominated government of fomenting the clashes in order to distract attention from its corruption and mismanagement, and to discredit multiparty democracy.

One cause of the fighting appears to be the encroachment of the crop-growing Kikuyu from their overcrowded traditional areas into areas long occupied by the pastoral Masai and Kalenjin.

The latest outbreak of fighting erupted early in October in Narok district when Masai leaders declared a small water catchment area a protected area and ordered the Kikuyu settlers to vacate it. Within days, Masai warriors were raiding Kikuyu villages and more than 20 Kikuyus were killed.

These attacks were followed by others further north in Mau Narok, with 60 houses torched.

While these attacks were taking place the government was rushing security forces to Bungoma district near the Uganda border, where 11 Sabaot tribesmen had been killed by Bakusus in circumstances that have not yet become clear.

After bloody clashes earlier this year between Kalenjins and Kikuyus in the Rift Valley region, the Molo, Burnt Forest and Londiani areas were declared security zones and sealed by the government. While it says stability has returned to these areas its claims cannot be checked because outsiders are still prevented from going in. Journalists and opposition politicians who tried to enter the areas were arrested and charged.

Most schools in the disturbed areas have been closed and rural trading centres have become refugee camps.

Estimates of the number of people displaced by the various clashes are as indefinite as the death toll but appear to be somewhere between 50 000 and 60 000.

At the height of fierce clashes in July between tribes in the north, refugees were flocking into Ethiopia at the rate of 500 a week.

"No one expected refugees from Kenya," said Pierre Khoury, the UN High Commissioner for Refugees liaison officer in Addis Ababa. "They came out of the blue without warning."

After several months of demanding that Moi take steps to halt the violence, opposition MPs began a campaign of action aimed at forcing his hand. Taking their campaign to the floor of parliament, they engaged in heckling, repeated interruptions of debates on points of order and defiance of the Speaker, who at one stage ordered 60 MPs out of the House.

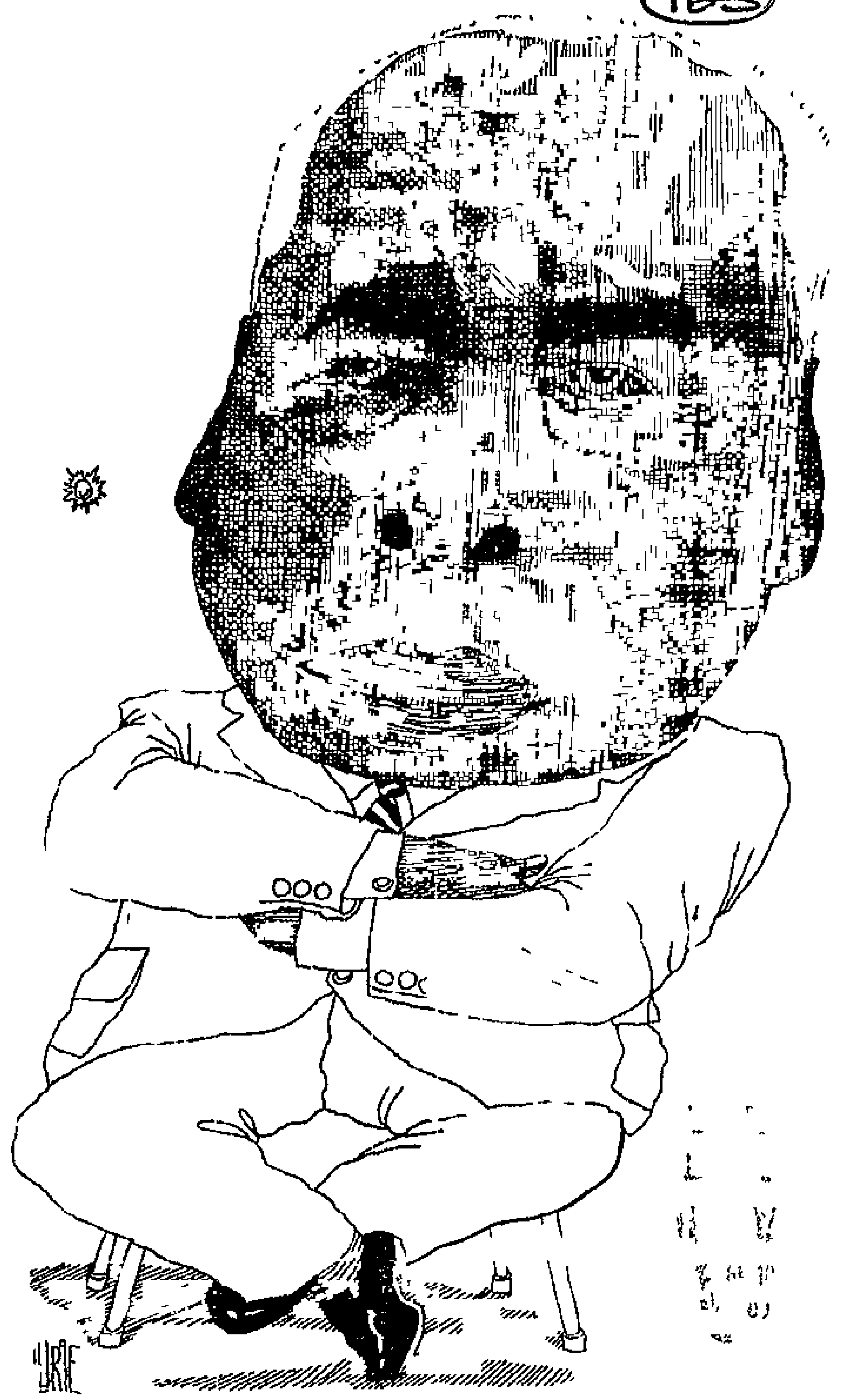
The campaign centred on demands for the firing of Local Government Minister William Ole Ntimama, a Masai whom the opposition accuses of urging his fellow tribesmen to chase the Kikuyu settlers out of Narok district.

Moi has not responded to an appeal by the United States for him to restore peace and facilitate talks between warring groups. Britain, Kenya's former colonial power, has remained silent but Whitehall is believed to have expressed concern to Nairobi.

If the opposition's allegations of government instigation of the clashes are true then Moi is playing a dangerous game, not only domestically but with Kenya's foreign donors. They suspended nearly R1 000 million in balance-of-payments support in 1991 because of alleged corruption, mismanagement and human rights violations by the Moi government.

The suspension is due to be reviewed at a meeting of the donor nations in Paris on November 22 and they will not be inclined to restore aid if they believe that Moi's government is indeed fomenting the violence.

There is some evidence that it arose from ethnic rivalry rather than political instigation. Either way, however, there is enough in the events in Kenya to give South Africa's political groups food for thought as they work out a new political dispensation for their country.



Tribal warfare flares in Kenya

163 ARG 1/11/93

As South Africa struggles to accommodate its ethnic diversity in a new political dispensation, Kenya is having its own problems with ethnic violence and its political implications. The Argus Africa News Service reports from Nairobi

IN defending his one-party dictatorship last year, President Daniel arap Moi warned that pluralism would bring ethnic chaos to Kenya On the face of it, he seems to have been right

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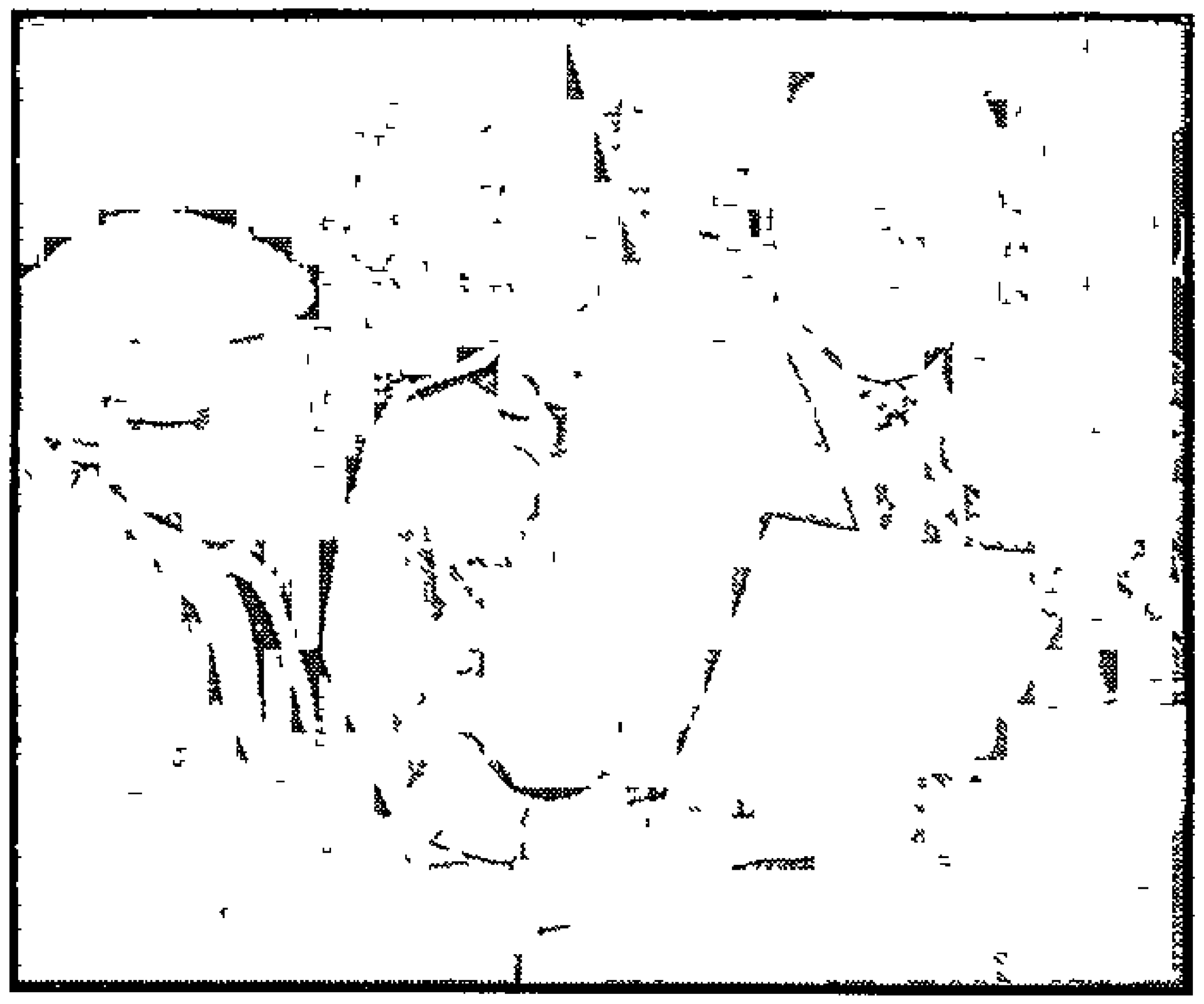
People are being killed, almost daily in some areas, in fights between the Arujan and Degodia in northern Kenya, between Kalenjins and Kikuyus in Uasin Gishu district, between Masai and Kikuyus in Narok district and between Sabaots and Bukusus near the Uganda border

While the tribal fighting does seem to have borne out President Moi's prediction, only subjective judgments can be made on whether it was caused by the end of one-party rule

The multi-party election was forced on Mr Moi by Western donors suspending their vital economic aid But his ruling Kanu party was returned to power after the opposition parties split and feuded Kanu now blames the opposition for instigating the fighting in order to create problems for the government and discredit it

The opposition, however, accuses the Kalenjin-dominated government of fomenting the clashes in order to distract attention from its corruption and mismanagement and to discredit multi-party democracy Opposition politicians, notably members of the Kikuyu tribe who were dominant under former president Jomo Kenyatta, have accused Mr Moi of systematically packing his government with members of his own Kalenjin tribe to the point where that tribe now wields political power grossly disproportionate to its small size



FLASHBACK: Daniel arap Moi is sworn in as president after winning the first multi-party general elections He beat seven other candidates for the presidency — but the election was marked by fraud, according to a watchdog group

One cause of the fighting appears to be the encroachment of the crop-growing Kikuyu from their overcrowded traditional areas into areas long occupied by the pastoral Masai and Kalenjin

The latest outbreak of fighting erupted early in October in Narok district when Masai leaders declared a small water catchment area a protected area and ordered the Kikuyu settlers to vacate it Within days, Masai warriors were raiding Kikuyu villages and more than 20 Kikuyus were killed

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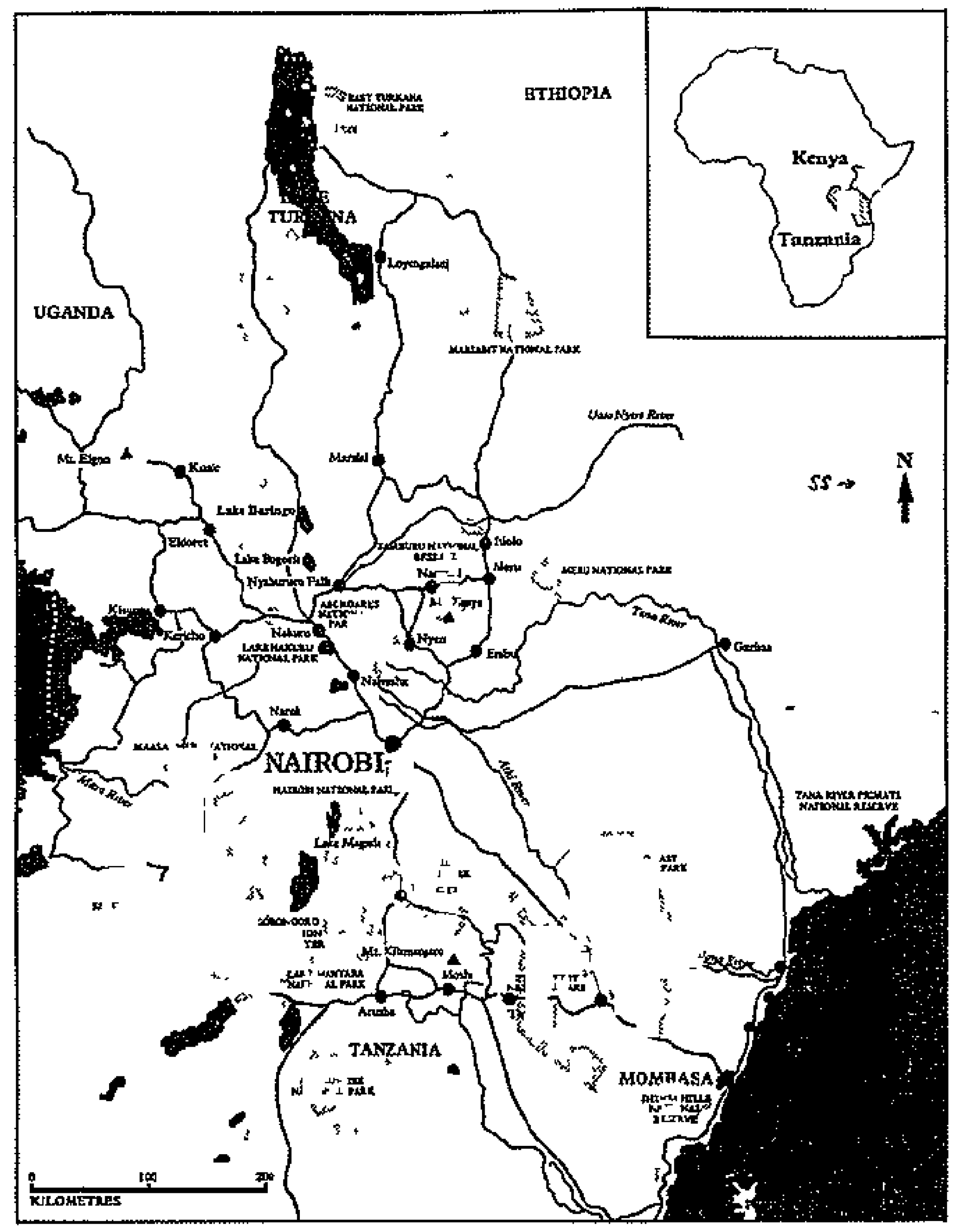

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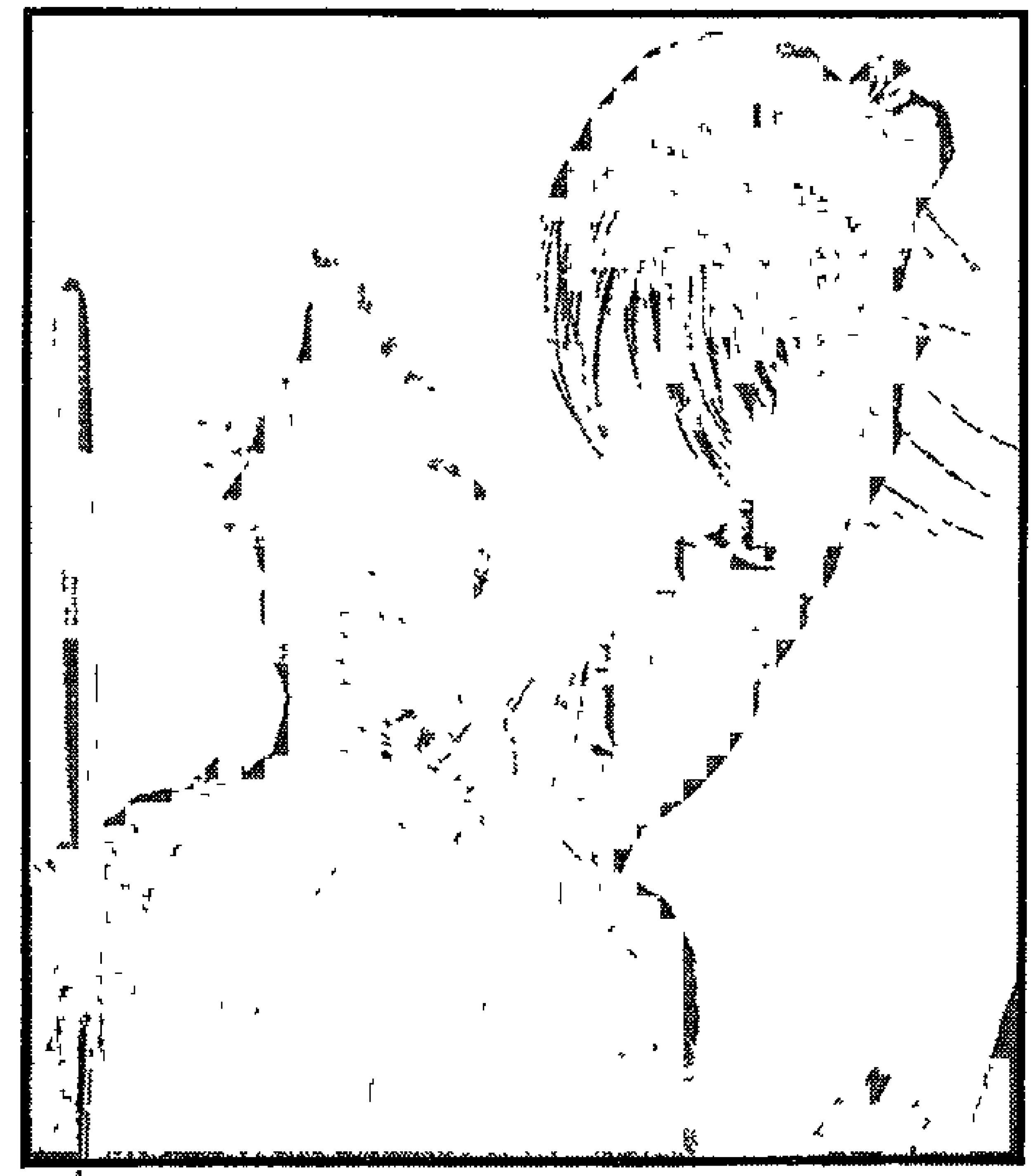

KIKUYU: An elder in traditional robes Members of the Kikuyu tribe have accused Mr Moi of systematically packing his government with members of his own Kalenjin tribe

President Moi has not responded to an appeal by the United States for him to restore peace and facilitate talks between warring groups Britain, Kenya's former colonial power, has remained silent but Whitehall is believed to have quietly expressed its concern to Nairobi

If the opposition's allegations of government instigation of the clashes are true then Mr Moi is playing a dangerous game not only domestically but with Kenya's foreign donors They suspended nearly R1 000-million in balance-of-payments support in 1991 because of alleged corruption, mismanagement and human rights violations by the Moi government

The suspension is due to be reviewed at a meeting of the donor nations in Paris on November 22 and they will not be inclined to restore the aid if they believe that Mr Moi's government is indeed fomenting the violence

There is some evidence that it arose from ethnic rivalry rather than political instigation Either way, however there is enough in the events in Kenya to give South Africa's political groups food for thought as they work out a new political dispensation for their own country

Trade curbs on maize removed

NAIROBI — Kenya has ended all trade restrictions on its staple food maize as part of moves to liberalise its economy.

Yesterday's government announcement was quickly hailed by Western donors, who underwrite annual aid to Kenya of up to $800m

Agriculture Minister Simeon Nyachae announced the deregulation of all price controls and said all flour producer prices or maize price tags issued by the government earlier this year would be seen only as guides.

Nyachae also ended a government ban on movement of maize in the country The ban was put in place to force producers to sell their produce to a state monopoly and as a measure against smuggling

Western diplomats praised the move as the final act in freeing maize trade, previously the monopoly of the poorly managed and loss-making National Cereals and Produce Board

"The World Bank and the IMF have pressed the government for some time over all such restrictions on the grain. It is a positive step in reshaping this economy," a Western diplomat in Nairobi said

Nyachae's statement follows a pledge by President Daniel arap Moi two weeks ago that his government would make policy changes in the pricing and marketing of maize to reflect Kenya's liberalised economic environment

Nyachae hoped the policy change would facilitate full private sector participation in maize marketing and distribution

Nyachae said the government would create a foreign exchange fund to help stabilise the maize market, to avoid a sharp rise in market prices following deregulation

He said the board, which formerly held a monopoly on maize trade, would only be responsible for the maintenance of strategic reserves, initially to be set at 3-million 90kg bags

The liberalisation of maize trade follows a series of other economic reform measures implemented by Kenya's government in the past year. They include the flotation of the shilling currency and the removal of import and export trade barriers — Sapa-Reuter.

Kenya makes progress but some problems persist

B/Day 29/12/93

(163)

NAIROBI — Kenya is coming in from the cold after being banished for two years by its mainly Western donors and in the process old problems are coming under their scrutiny.

Diplomats say great progress on economic problems made in the past year encouraged the West and new, sweeping changes are likely to open Kenya up to more domestic and foreign investment.

International donors meeting in Paris in November agreed to a fresh support package of $850m to Kenya, ending a suspension of aid imposed in 1991 to persuade President Daniel arap Moi to make radical economic and political changes

Moi met the political conditions by holding Kenya's first pluralist poll in 26 years in 1992 He won another five-year term as president He has also met many of the economic demands set by donor nations for them to restore balance of payments support.

"The question that remains is just how strongly the government will pursue such strong reforms," said a senior Western diplomat. "If it abides by the commitments, Kenya's future is secure."

Finance Minister Musalia Mudavadi pleased foreign donors by abolishing import and export licensing barriers, closing questionable financial institutions, strengthening the central bank's management and floating the Kenyan shilling.

He acted to slow inflation that peaked at 101% in July, and liberalised the import and distribution of maize, Kenya's staple food.

Mudavadi allowed non-resident shareholders to receive interim dividends without delay and foreign companies to borrow without restriction locally to attract foreign investors.

He has moved a long way towards abolishing foreign exchange controls.

Analysts said the polls did not really change the balance of power but had offered encouragement to the opposition to voice most of its concerns

Political scientist Korwa Adar said people were disappointed the democratic process failed to produce reforms such as more political freedom and economic benefits.

The West remains deeply concerned about human rights violations. Diplomats point to continued harassment of the Press and the failure of the government to end ethnic clashes and in some cases the appearance that it even instigated violence

Economics consultant Prof Gershom Ikiara said attempts by the ruling Kenya African National Union to muzzle the Press, kill independent thinking and buy opposition leaders weakened hopes for a freer and better-managed Kenya. "I expect high level tension at the political level in 1994 as various groups try to expand their operations."

He said the main challenge was whether Kenya could promote confidence in the economy and end insecurity, including rising thuggery in Nairobi and tribal fighting

A senior banker said crippling corruption pervading all state sectors and the high degree of inefficiency linked to such graft eroded investor confidence and harmed the economy.

Low commodity prices and lack of donor funding cut economic growth to a marginal 0,4% in the year to July from 2,2% in 1992 — well below population growth at 4%

The two-year aid squeeze also forced Kenya into debt arrears of $700m on its $6bn foreign debt. Mudavadi has said he will consider asking donors to reschedule this.

Agricultural economists said another problem in the new year would be food shortages Moi forecast a shortfall of 850m tons of cereals in the next six months and has appealed for food aid — Sapa-Reuter

Kenya gets a less rough ride

18/12/93

NAIROBI — Kenya, enjoying a new detente in relations with Western donors, will be given up to $100 million (R340m) in World Bank loans to finance the repair of its rundown roads (163)

The funds will be used in 26 towns in Kenya, where gaping potholes have become a reminder of the economy's bumpy ride in the past two years Only 10% of Kenyan roads are in good condition — Sapa

African trade terms decline

HARARE — Africa's trade terms declined 6% during the last two years, largely because of low growth rates in industrialised countries, according to the Association of African Central Banks.

Zimbabwean central bank governor Leonard Tsumba said, while reviewing economic and monetary developments in Africa from June 1991 to September, that conflict and drought had also restrained growth.

"Low economic growth and higher rates of inflation compounded the problems of poverty and unemployment. Budget and current account deficits also deteriorated significantly," Tsumba said in a report presented at the association's meeting in the Sudanese capital, Khartoum, last week — Sapa

Kenyan currency reforms

BDay 17/12/93

NAIROBI — Kenya, seeking to clean up its image for Western donors, took a giant step towards abolishing all foreign currency controls on Wednesday

Finance Minister Musalia Mudavadi announced a package of radical reforms liberalising foreign currency movements and removing some limits on borrowing

Non-resident shareholders will now be able to receive interim dividends without delay and foreign companies can borrow without restriction on the local market. (163)

To encourage investment, the government will let residents borrow abroad up to the equivalent of $1m as long as the loan does not involve government guarantees Other changes raise the limits on the amount of foreign or Kenyan currency travellers can freely take out of Kenya

Economic analysts hailed the changes, which take effect immediately, as a breakthrough in trying to reform an economy burdened by corruption and bureaucracy.

"These are excellent measures which will boost investor confidence," said one private banker. And another said: "These are very positive moves and leave exporters in a strong position. It is only a matter of time until the complete scrapping of foreign currency controls."

Under the previous system the central bank had to authorise some of the foreign exchange transactions. Corrupt officials demanded backhanders, hitting foreign confidence in the economy

Now anyone leaving Kenya or arriving will not be required to declare foreign currency notes worth less than $5 000 The maximum amount of Kenyan currency a traveller can take out has been raised from 200 shillings ($3) to 10 000 shillings ($140).

The measures are seen as key ones in attempts to stimulate regional trade and rebuild the East African Community linking Uganda, Tanzania and Kenya.

At a meeting in Tanzania on November 30 the presidents of the three countries agreed in principle to recreate the community, which shared railway, telephone and port authorities until it collapsed in 1977.

Despite the reforms, exporters will still have to remit half of their hard currency earnings from exports to the central bank, which then credits them with the shilling equivalent.

If they want access to the money again to pay for imports related to their business, they have to apply to the central bank for a licence. And residents may still not hold foreign currency accounts in Kenya.

President Daniel arap Moi, 67, has met many of the economic conditions set by Western donor nations for restoring balance of payments support Economic analysts say Mudavadi, a reformist appointed shortly after Moi won multiparty elections last December, had also made tremendous progress in winning back creditor support — Reuter

Zambia's new import duties are unfair, say SA exporters

JOHN DLUDLU

LOCAL exporters have criticised the Zambian government's plan to introduce new import duties on SA-manufactured goods, calling it unfair. BDay 17/12/93

Zambian Trade and Industry Minister Alf Hambayi announced last week that new import duties would be introduced on SA and Zimbabwean goods from next year to protect Zambian manufacturers against the competitive edge enjoyed by the two countries. (360)

The measure would be accompanied by tax rebates for Zambian manufacturers, he said

SA's Daeta International, which exports general commodities to Zambia, said the plan would stifle trade Daeta official David Dunn said the company planned to investigate the issue and approach the relevant authorities.

A local exporter of refrigerators and stoves said import duties were already too high in some sectors It is understood that duties in some sectors are as high as 76%

Another trade source said that while it was understandable that certain "infant industries" needed protection, it was unacceptable for governments to introduce blanket bans "What makes it more ridiculous is that the duties will only apply to two countries," he said.

A spokesman for the SA trade office in Zambia said he would take up the matter with his Zambian counterparts

Speaking from Pretoria, acting Zambian representative in SA Shula Musakanya defended the minister's announcement, saying it was aimed at encouraging "production-based investment" The government also wanted to stamp out dumping in Zambia of inferior goods by foreign companies

This practice had been encouraged by a sharp plunge in the Zambian currency, which had since shown recovery

One observer said the move was part of a continuing effort by the Zambian government to buoy its weak private sector and to create jobs by encouraging physical investment

Musakanya said it was unlikely the decision would be reversed, as protectionist measures had so far strengthened the economy and the Zambian currency.

About 170 investment licences held by SA companies would not be affected by the new duties, he said.

High-level British trade mission arrives soon

JOHN DLUDLU

A HIGH-POWERED British trade mission is to visit SA next year in an effort to strengthen relations between the two countries, a spokesman said this week.

Speaking from London, Coventry & Warwickshire Chambers of Commerce and Industry export promotions executive director Malcolm Vaughan said the 20 companies taking part in the mission were "highly interested" in opening new accounts in SA.

The delegation will arrive in Johannesburg on February 14, spend four days in Johannesburg, and visit Cape Town and Durban. Among the industries represented are the cosmetic, manufacturing, computer and pharmaceutical industries.

Vaughan said the SA market was significant to British exporters both as a trading partner and as a gateway to southern African markets.

This visit will be the second in two years after trade relations were disrupted by sanctions in the '80s

Vaughan said another aim of the visit would be to revive relationships with local chambers of commerce, which delegates were scheduled to meet during their week-long stay in the country. No meetings had been arranged with political parties.

He said the visit could lead to the establishment of joint ventures and distribution agents

Vaughan described the attitude of British companies towards SA as "cautiously optimistimic" on socioeconomic developments and the April election.

African trade terms decline

HARARE — Africa's trade terms declined 6% during the last two years, largely because of low growth rates in industrialised countries, according to the Association of African Central Banks

Zimbabwean central bank governor Leonard Tsumba said, while reviewing economic and monetary developments in Africa from June 1991 to September, that conflict and drought had also restrained growth

"Low economic growth and higher rates of inflation compounded the problems of poverty and unemployment Budget and current account deficits also deteriorated significantly," Tsumba said in a report presented at the association's meeting in the Sudanese capital, Khartoum, last week — Sapa

Kenyan currency reforms

BIDay 17/12/93

NAIROBI — Kenya, seeking to clean up its image for Western donors, took a giant step towards abolishing all foreign currency controls on Wednesday.

Finance Minister Musalia Mudavadi announced a package of radical reforms liberalising foreign currency movements and removing some limits on borrowing

Non-resident shareholders will now be able to receive interim dividends without delay and foreign companies can borrow without restriction on the local market (163)

To encourage investment, the government will let residents borrow abroad up to the equivalent of $1m as long as the loan does not involve government guarantees. Other changes raise the limits on the amount of foreign or Kenyan currency travellers can freely take out of Kenya

Economic analysts hailed the changes, which take effect immediately, as a breakthrough in trying to reform an economy burdened by corruption and bureaucracy.

"These are excellent measures which will boost investor confidence," said one private banker And another said. "These are very positive moves and leave exporters in a strong position. It is only a matter of time until the complete scrapping of foreign currency controls."

Under the previous system the central bank had to authorise some of the foreign exchange transactions. Corrupt officials demanded backhanders, hitting foreign confidence in the economy.

Now anyone leaving Kenya or arriving will not be required to declare foreign currency notes worth less than $5 000 The maximum amount of Kenyan currency a traveller can take out has been raised from 200 shillings ($3) to 10 000 shillings ($140).

The measures are seen as key ones in attempts to stimulate regional trade and rebuild the East African Community linking Uganda, Tanzania and Kenya.

At a meeting in Tanzania on November 30 the presidents of the three countries agreed in principle to recreate the community, which shared railway, telephone and port authorities until it collapsed in 1977

Despite the reforms, exporters will still have to remit half of their hard currency earnings from exports to the central bank, which then credits them with the shilling equivalent.

If they want access to the money again to pay for imports related to their business, they have to apply to the central bank for a licence. And residents may still not hold foreign currency accounts in Kenya

President Daniel arap Moi, 67, has met many of the economic conditions set by Western donor nations for restoring balance of payments support Economic analysts say Mudavadi, a reformist appointed shortly after Moi won multiparty elections last December, had also made tremendous progress in winning back creditor support — Reuter

Zambia's new import duties are unfair, say SA exporters

JOHN DLUDLU

LOCAL exporters have criticised the Zambian government's plan to introduce new import duties on SA-manufactured goods, calling it unfair. BDay 17/12/93

Zambian Trade and Industry Minister Alf Hambayi announced last week that new import duties would be introduced on SA and Zimbabwean goods from next year to protect Zambian manufacturers against the competitive edge enjoyed by the two countries.

The measure would be accompanied by tax rebates for Zambian manufacturers, he said

SA's Daeta International, which exports general commodities to Zambia, said the plan would stifle trade. Daeta official David Dunn said the company planned to investigate the issue and approach the relevant authorities

A local exporter of refrigerators and stoves said import duties were already too high in some sectors It is understood that duties in some sectors are as high as 76%

Another trade source said that while it was understandable that certain "infant industries" needed protection, it was unacceptable for governments to introduce blanket bans. "What makes it more ridiculous is that the duties will only apply to two countries," he said.

A spokesman for the SA trade office in Zambia said he would take up the matter with his Zambian counterparts.

Speaking from Pretoria, acting Zambian representative in SA Shula Musakanya defended the minister's announcement, saying it was aimed at encouraging "production-based investment". The government also wanted to stamp out dumping in Zambia of inferior goods by foreign companies.

This practice had been encouraged by a sharp plunge in the Zambian currency, which had since shown recovery.

One observer said the move was part of a continuing effort by the Zambian government to buoy its weak private sector and to create jobs by encouraging physical investment

Musakanya said it was unlikely the decision would be reversed, as protectionist measures had so far strengthened the economy and the Zambian currency

About 170 investment licences held by SA companies would not be affected by the new duties, he said

High-level British trade mission arrives soon

JOHN DLUDLU

A HIGH-POWERED British trade mission is to visit SA next year in an effort to strengthen relations between the two countries, a spokesman said this week.

Speaking from London, Coventry & Warwickshire Chambers of Commerce and Industry export promotions executive director Malcolm Vaughan said the 20 companies taking part in the mission were "highly interested" in opening new accounts in SA.

The delegation will arrive in Johannesburg on February 14, spend four days in Johannesburg, and visit Cape Town and Durban. Among the industries represented are the cosmetic, manufacturing, computer and pharmaceutical industries.

Vaughan said the SA market was significant to British exporters both as a trading partner and as a gateway to southern African markets

This visit will be the second in two years after trade relations were disrupted by sanctions in the '80s.

Vaughan said another aim of the visit would be to revive relationships with local chambers of commerce, which delegates were scheduled to meet during their week-long stay in the country No meetings had been arranged with political parties.

He said the visit could lead to the establishment of joint ventures and distribution agents.

Vaughan described the attitude of British companies towards SA as "cautiously optimistimic" on socioeconomic developments and the April election.

Kenya trial stirs tribal tensions

163 WM 19-25/11/93

Mark Huband in Nairobi

THE threat of death sentences against members of Kenya's Kikuyu tribe this week heightened tribal tensions already stirred up by a government crackdown on the opposition and calls by ministers for tribes to take up arms to defend their land Five Kikuyus could face the death penalty if they are found guilty of an armed attack on a police station during which weapons were allegedly stolen.

The attack last month was the third on a police station in four weeks Police guns were stolen during the first two raids, and this has led to fears of an escalation in the tribal violence which has left up to 2,000 dead and 60,000 displaced in the past two years

The five accused, who include a former MP, Koigi Wa Wamwere, who was released in January after two years in prison on treason charges, deny the charges and claim they were set up by the government of President Daniel arap-Moi

The trial in the Rift Valley town of Nakuru is radicalising the Kikuyu, who have been isolated from political power during most of Mr Moi's 15-year presidency and are facing "ethnic cleansing" encouraged by extremists in the government.

Most vociferous is the Maasai minister for local government, William Ole Ntimama, who has openly defended Maasai warriors in their armed conflict over land rights

"The Maasai have slept for far too long. But, like sleeping dogs, they will resist any attempts to sit on them Indigenous peoples have been robbed of their land either forcefully or illegally and immorally by forces of corruption," Mr Ntimama said recently.

In several areas of the Rift Valley local administrators have ordered Kikuyus to leave, though they have no legal right to make such demands Their orders have been based purely on ethnicity

On October 29, 12 Roman Catholic bishops wrote in an open letter to Mr Moi: "All these abominations are done in your name, by some of your cabinet ministers, by your district commissioners, your district officers, your civil servants, your 'elite military' General Services Unit and police

"It is perhaps because you have never visited the attacked and injured victims of clashes and listened to what they had to say that you have done nothing practical for them . It escapes the intelligence of the average citizen why you always send security personnel after and not before the destruction."

In theory the violence stems from disputes over land The Maasai, Mr Moi's Kalenjin and other Rift Valley tribes claim the Kikuyus migrated to the area and grew rich after the Kikuyu Jomo Kenyatta became president at independence from Britain in 1963

But the anti-Kikuyu argument stems more from the smaller tribes' desire to prevent the return of the Kikuyus to political and economic power than from historical accuracy

Colonial land records show that Kikuyus began moving to the Rift Valley as early as the 1920s, after the British seized most of their ancestral land in central Kenya.

But of more immediate importance to the government is the fact that Mr Moi's Kenya African National Union (Kanu) government is reliant on support from the Rift Valley tribes, whose unity stems largely from their opposition to the Kikuyus

Mr Moi has been able to exploit this opposition by drawing his former rival Jaramogi Oginga Odinga into an ever-closer alliance with Kanu

Mr Odinga initiated the collapse of the tribal alliance between his Luo tribe and the Kikuyu when he admitted in August that he had accepted a large donation and then failed to specify whether it had been credited to the Ford-Kenya opposition party of which he is chairman

Now Kikuyus have become disaffected with the party "If it is war, the Kikuyus will go to war If they want to go to elections, they will go to elections They're looking for somebody to lead them," said Ford-K's Kikuyu former vice-chairman, Paul Muite, who quit in disgust at Mr Odinga's activities

'Moi instigated tribal violence'

THE Kenyan government instigated tribal clashes which killed hundreds of people and displaced thousands, a human rights group said this week. Violence between ethnic groups since the advent of a multi-party system in 1991 had been "deliberately manipulated and instigated by President Daniel arap Moi in order to undermine political pluralism", the New York-based group Africa Watch said in its monthly report

It said as many as 1,500 people had been killed and 300,000 displaced from their homes A parliamentary report says some 750 people were killed and 54,000 displaced in the run-up to last year's multi-party elections

Africa Watch's allegations are backed by the opposition, but President Moi says the opposition is trying to achieve through violence what it failed to do through the ballot

The violence broadly pits members of the Kalenjin and other pastoral communities, such as the Masai, against farmers such as the Kikuyu, whom they accuse of grabbing their land — *Reuter*

Dilemma over democracy

Star 29/11/93

DESPITE the refreshing wind of change towards democracy in Africa in recent years, the struggle for multipartyism is by no means won, with tribalism remaining a crucial factor. Hubert Kahl reports from Nairobi

Political developments in several African countries over the past few months, including annulled elections in Nigeria and the violent coup attempt in Burundi, have highlighted anew the continent's struggle to establish democracy.

Burundi's experiment with democracy came to a standstill with the murder of the elected president, Melchior Ndadaye. And given the wave of hatred and violence that is sweeping the small East African state, to think of holding fresh elections at present is futile.

While the army in Nigeria declared elections invalid (and eventually re-took control), Zaire has been busy with democratic reforms for the past three years. The result is that elections have yet to be held and the economy has collapsed.

The winds of change that swept through Africa in the early '90s, toppling about a dozen military dictators, inspired Africa to celebrate a "second independence"

In some countries, however, they also gave rise to disappointment and bitterness In Angola, they even precipitated a new civil war

"Given the present state of affairs, I consider a multiparty system to be completely unsuitable for Africa", says Ugandan President Yoweri Museveni, who also believes it is irresponsible to impose western democratic concepts on African countries

"A coup such as in Burundi was basically predictable," he says, implying that the West is partially to blame for the massacres in the once German colony.

Explaining his views, Museveni points out that political parties in Europe were born of the class struggle between industrialists and workers Voters select the party that best represents their interests.

In pre-industrialised African societies, where simple farmers form the majority of the population, Museveni feels that social interests play a negligible role

With the African voter tending to choose the party that represents his tribe, a multiparty system may cause old feuds between rival tribes to flare up again.

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Western donor countries, interested in encouraging democracy in Africa, have often made development aid conditional on the holding of free elections.

Yoweri Museveni . . . considers a multiparty system completely unsuitable for Africa. PICTURE DPA

One argument frequently used is that as long as there is no opposition, Africa's potentates will continue to ransack their state coffers and pocket foreign aid.

However, this equation doesn't hold good everywhere. In Zambia, lauded as a model for democratic change, President Frederick Chiluba's new government was soon rocked by one corruption scandal after another. Even after elections in Kenya, mismanagement and embezzlement of state funds did not recede.

In rural areas, where African farmers and nomads have to struggle simply to survive every day, party manifestos and ideologies mean little. Votes can be bought cheaply even in a land like Senegal which boasts a long democratic tradition Or the voter makes his choice according to the recommendation of his "marabut", or religious leader, which is not surprising, given an illiteracy rate of more than 60 percent.

Is democracy a luxury that Africa is too poor to afford? To those who believe in democracy in Africa, the question is a smokescreen for military dictators and autocratic rulers to justify their regimes

They reason that the transition to democracy has worked out well in countries like Benin, Mali, Niger, Madagascar and Cape Verde, while Botswana and Mauritius have long been considered democratic role models

But it is precisely the latter two countries that seem to prove the axiom that democracy needs a certain minimal measure of affluence in order to survive Both Botswana and Mauritius are among the more prosperous states of Africa — DPA Features.

Scent of the Mau Mau in the air

Star 17/11/93

(163)

OPPOSITION leaders and churchmen in Kenya believe that the country is sliding towards civil war. Joe Khamisi reports from Nairobi for Star Africa Service

Less than a year after returning to multiparty democracy, Kenya appears to be heading for civil chaos as ethnic fighting and other violence continues

More than 1 000 people have been killed and thousands displaced by the fighting

In another, and possibly ominous, development, three police posts have been raided by gangs apparently seeking to acquire weapons. Four people, including a policeman, have been killed in these attacks and an unknown number of guns and hundreds of rounds of ammunition stolen.

The raids occurred amid widespread reports that some sections of the population have taken oaths of fraternal solidarity, something last seen in the Mau Mau years

In what could be an unrelated development, there have been at least three bomb attacks in recent weeks, one of which caused extensive damage to a building.

Multiparty rule has not brought tranquillity since President Daniel arap Moi agreed, under international and domestic pressure for democratisation, to end the country's three decades of one-party rule and to hold multiparty elections last December

Moi has accused unnamed individuals of trying to plunge the country into civil war and anarchy He said he had ordered the police to take tough action against them.

Soon after, in a move likely to leave long-lasting political scars, the police made dozens of arrests Three of those taken in were retired army officers, including a former commander of the Kenya Air Force, Major-General Kariuki, and the others included businessmen and politicians. Some were released but others face a variety of charges.

Significantly, all those detained were members of the Kikuyu tribe, the biggest and most economically powerful in Kenya.

Led by Jomo Kenyatta, the Kikuyus staged the Mau Mau rebellion of the '50s that dislodged the British colonial government and led to independence. As a result, they emerged with the biggest slice of the political and economic cake, and with Kenyatta occupying the presidency.

But 15 years after Kenyatta's death, the Kikuyus have lost virtually all administrative and political power to the Kalenjin, a small cluster of pastoral tribes in the Great Rift Valley.

Daniel arap Moi ... opposition's wrangling saved him.

During the election last December, the Kikuyu political leaders let slip an opportunity to unseat Moi when they failed to wage a united campaign and split the opposition in two — Ford Asili, led by businessman Kenneth Matiba, and the Democratic Party of former vice-president Mwai Kibaki.

As a result, Moi was returned to power, even though the Kenya African National Union (Kanu) that Moi had inherited from Kenyatta did not win a single constituency in Kikuyuland.

This is seen as the principal reason for the bad blood between Moi and his Kalenjins on the one hand and the Kikuyus on the other. During the past year the Kikuyus, who left their own overcrowded areas to settle in sparsely populated Kalenjin traditional lands in the Rift Valley, have been hounded.

Over 1 000 are estimated to have been killed and thousands of their dwellings destroyed. Those who escaped are living as refugees.

Three violence-torn towns in western Kenya — Londiani, Molo and Burnt Forest — have been declared out of bounds for everyone except residents.

The Kikuyus have clashed with the Masai as well. Recently, Kikuyus living in Enabelibel location in Narok, about 80 km west of Nairobi, were given three days to vacate Masai land or face dire consequences. There was widespread panic as the Kikuyus fled.

This treatment of the Kikuyus, and Moi's inability to end the violence, prompted Catholic bishops to send an open letter to him in which they accused the government of measures smacking of totalitarianism, and the police of harassment.

They charged that some government ministers had made inflamatory statements. Kenyans no longer believed there was law and order in the country, the bishops said.

"The common man can sense the danger if one section unilaterally determines its rights for itself and resorts to violence on a massive scale," they said. "There is a grave danger of other sections following the same procedure and then we will have civil war."

While there has not been much overt retaliation from the Kikuyus, analysts suspect that the reports of oath-taking and the seizure of arms may be steps towards civil war.

KENYA — GENERAL

1994

focus on Kenya

Sowetan 5/1/94

Kenya, snubbed by Western donors for two years for its inadequate economic policies, is coming in from the cold — but still has a long way to go to earn complete international acceptance.

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NAIROBI — Kenya is coming in from the cold after being banished for two years by its mainly Western donors and in the process old problems are coming under their scrutiny.

Diplomats say great progress on economic problems made in the last year encouraged the West and new, sweeping changes are likely to open Kenya up to more domestic and foreign investment.

International donors meeting in Paris in November agreed to a fresh support package of R2 550 million to Kenya, ending a suspension of aid imposed in 1991 to persuade President Daniel arap Moi to make radical economic and political changes.

Moi (69) and 15 years in power, met the political conditions by holding Kenya's landmark first pluralist poll for 26 years on December 29 1992. He won another five-year term as president.

He has also met many of the economic demands set by Western donor nations for them to restore balance of payments support.

"All this is extremely positive," a senior Western diplomat told *Reuters*. "The question that remains is just how strongly the government will pursue such strong reforms.

"If it abides by the commitments, Kenya's future is secure."

Finance minister Mr Musalia Mudavadi pleased foreign donors by abolishing import and export licensing barriers, closing questionable financial institutions, strengthening the central bank's management and floating the Kenyan shilling.

He acted to slow inflation that peaked at 101 percent in July, and liberalised the import and distribution of maize, Kenya's staple food.

Mudavadi, a 34-year-old economic liberal appointed 11 months ago, also allowed non-resident shareholders to receive interim dividends without delay and foreign companies to borrow without restriction locally to attract foreign investors.

In December he moved a long way towards abolishing foreign exchange controls, leaving only a few more steps to be taken.

Analysts said the pluralist polls did not really change the balance of power in this East African country but had offered encouragement to the opposition to voice most of its concerns.

Mr Korwa Adar, a respected Nairobi University political scientist, said people were disappointed the democratic process failed to produce reforms such as more political freedom and economic benefits.

"The government, through parliament, still operates as if the country was under single-party rule," he added.

The West remains deeply concerned about human rights violations. Diplomats point to

Daniel arap Moi.

"The West remains concerned about human rights violations. Diplomats point to continued harassment of the Press and the failure of the government to end ethnic clashes."

continued harassment of the Press and the failure of the government to end ethnic clashes and in some cases the appearance that it even instigated violence.

The government eased its indirect control over independent newspapers for the election but in May destroyed the presses of two critical magazines and charged their editors with sedition.

The ruling Kenya African National Union party announced in December it had taken over the Kenya Television Network — the country's only privately-owned broadcast station.

Nairobi-based economics consultant Professor Gershom Ikiara said Kanu attempts to muzzle the Press, kill independent thinking and buy opposition leaders weakened hopes for a freer and better-managed Kenya.

"I expect high level tension at the political level in 1994 as various groups try to expand their operations. But the economy suffers from any such tension. There cannot be economic progress without complete political stability and peace," Ikiara said.

He said the main challenge was whether Kenya could promote confidence in the economy and its management and end insecurity, including rising thuggery in Nairobi and tribal fighting.

Tribal clashes in the president's native Rift Valley killed 750 people and made 54 000 homeless in the run-up to the polls.

Recent conflict between Moi's tiny Kalenjin tribe and the wealthy and larger Kikuyu killed dozens and displaced hundreds.

"As long as we have these problems, we damage both foreign and domestic investment," one diplomat said. "People want to be secure, stable, to know they will not be asked to pack and leave the next day.

"If this is not guaranteed, we may face a crisis."

A senior banker said crippling corruption pervading all state sectors in Kenya and the high degree of inefficiency linked to such graft eroded investor confidence and harmed the economy.

Low commodity prices and lack of donor funding cut economic growth to a marginal 0,4 percent in the year to July from 2 2 percent in 1992 — well below population growth at four percent.

The two-year aid squeeze also forced Kenya into debt arrears of R2 100 million on its R18 billion foreign debt. Mudavadi has said he will consider asking donors to reschedule this.

"This (debt arrears) situation has reached a more worrying point than seen before," a senior treasury official said.

Agricultural economists said another problem in the new year would be food shortages. Erratic rains in key growing areas led to crop failure of about 70 percent in some regions in 1993.

Moi forecast in December a shortfall of 850 million tons of cereals in the next six months and has made two appeals to the international community for food aid. — *Sapa-Reuter*

President appeals for aid

NAIROBI — President Daniel arap Moi, in an unprecedented public appeal, has urged wealthy Kenyans to help feed thousands of their fellow countrymen made hungry by Kenya's worst drought since 1984.

"I appeal to all Kenyans who are able to donate food to the needy," Moi said. "Prolonged and severe drought has resulted in acute food shortages throughout the country." B/Day 10/2/97

Moi last week set up a special unit to handle relief services for victims. "I urge the well-to-do in urban centres to give this appeal due consideration"

Kenya's problems, diplomats and residents say, have been compounded by endemic official corruption. — Sapa-Reuter. (T63)

A dancer wearing a clown's mask of the Vietnamese character representing earth, joined by the dragon representing heavenly power, emerge from the fog created by exploding firecrackers during a Lunar New Year procession in Hanoi. Picture: AP

Kenya likely to import sugar

15/2/94

NAIROBI — Kenya's sugar output grew marginally last year but high consumption means it will have to import more than it produces, officials said at the weekend.

They said a severe drought threatened a fall in yield in 1994, moving Kenya further away from an ambitious target of regaining self-sufficiency in sugar.

Output rose to 380 000 tons in 1993, up from 371 000 the year before, Kenya Sugar Authority CE Justus Mudavadi told the body's AGM on Sunday.

Mudavadi gave no forecast for the 1994 year but officials said drought gripping Kenya and neighbouring countries would result in a lower 1994 output.

Officials said sugar consumption in Kenya far outstripped production. Kenya would need to import 200 000 tons of sugar this year to meet local consumption forecast at 580 000 tons.

Imports shot up to 150 000 tons in 1993 from 30 000 tons in 1991, while consumption grew to 540 000 tons from 470 000 tons during the same period.

The imports, which are pegged to the US dollar, have tripled the retail price

Agriculture Minister Simeon Nyachae told the same meeting the government had launched pricing reforms to promote rapid growth which took into account the need for efficient management of the sugar industry and better marketing in the world.

To provide farmers and millers with increased incentives, Nyachae said he had raised the producer "floor price" to 1 553 shillings a ton of cane in 1994 from 1 250 shillings and would allow factories to sell 50% of their output directly to the market, up from 20%. (1683)

"In addition, the government is also encouraging private sector involvement through privatisation and increased investment in cane development as well as in rehabilitating existing sugar factories," Nyachae said.

Analysts said the decline of the sugar industry — Kenya was self-sufficient in sugar until 1987 — was partly because of drought during past three years but man-made reasons were also to blame.

"Efforts to regain self-sufficiency in sugar have yielded disappointing results due in part to corruption and mismanagement of sugar resources," one said.

Another pointed to some factories in the west where expansion projects have stalled due to mismanagement of cash.

Mudavadi said the government was committed to restructuring the industry and, with World Bank assistance, had set aside $1,69m for a blueprint for the privatisation of state sugar firms and restructuring factory management. — Sapa-Reuter.

Monday February 21 1994 SOWETAN

NEWS FEATURE Hundreds have died from hunger and 4,8 million are threatened

Sowetan 21/2/94

Kenya – facing the most terrible drought

THE Kenya government has admitted that 4,8 million people out of the country's population of 25 million will need emergency food aid this year, while an undetermined number have already died from hunger

In some areas livestock is reportedly perishing in thousands, particularly in the arid and semi-arid eastern, northern and southeastern parts of the country where 18 districts have been identified as the most affected

In some areas the staple maize meal and greens have been replaced with roots and wild berries as people battle to survive

Frail women carrying jerry cans are a familiar sight in the dusty rural terrain, walking for miles in search of water

Working double shifts

Relief agencies such as World Vision, the Kenya Red Cross and the Freedom From Hunger Council, have been working double shifts for at least two years in the worst hit Turkana district near the Ethiopian border

The area's 25 000 inhabitants rely entirely on hand-outs

Children who traditionally tend livestock are now a familiar sight at feeding centres

Kenya has experienced drastically reduced levels of rainfall for the past two years

When the rain did fall, it was patchy and sporadic, upsetting seasonal planting patterns and demoralising farmers

Forced to flee

Thousands of farmers have been forced to flee the high-yielding agricultural areas of the western area and the rift valley because of senseless tribal clashes which have led to countless deaths over the past two years

Corruption at official level has led to the sale by bureaucrats of essential commodities abroad in recent years

The same officials later awarded themselves contracts to import those same commodities at exorbitant prices and hefty commissions

Only last week, the Minister of Agriculture, Simon Nyachae, admitted that fertiliser which was imported during the 1991-1992 season was tampered with at the packaging point, rendering the product useless to farmers He blamed what he termed dishonest businessmen

Famine conditions were evident in Kenya from 1991 At about this time, foreign donors suspended balance of payment support because of the policies of President Daniel arap Moi

And, as foreign currency supplies dwindled, the economy took a nose dive, unleashing a cycle of market-led events that saw inflation soar to more than 100 percent, the budget deficit rising, and the banking sector disoriented

Moi's response was to print more money in a desperate effort to stem growing opposition in election year in 1992 It was only late last year that donors agreed to commit more than R280 million

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Drought every ten years

Climatic history shows that Kenya experiences this kind of drought once every ten years

Similar devastating droughts occurred in 1974 and 1984

Questions are now being asked as to why the government had not prepared for this drought

On Wednesday, Moi assured Kenyans that his government would ensure no one suffers

But according to the World Food Programme, 22 million people in Africa will need emergency food this year

The affected area stretches from Senegal in the west to Ethiopia in the east and Mozambique in the south

Kenyan President Daniel arap Moi

Kenya totalitarian, say bishops

ARG 17/3/94

NAIROBI — Kenya's Roman Catholic bishops have warned that the country is sliding into a "totalitarian democracy", where a small group of politicians are increasingly manipulating the system for their own enrichment and prestige

In a pastoral letter issued here yesterday, and signed by all the country's 19 bishops, including Maurice Cardinal Otunga, the clerics declared "What exists in Kenya is a totalitarian democracy in which there is no real participation by the people — and the opposition is not allowed to take an active part in the political life of the country"

In their letter, to be read from all Roman Catholic pulpits in the country on Sunday, the bishops appealed for a complete revision of the constitution by a large constituent body of experienced and competent citizens to help bring real democracy

The bishops said that although there were several parties in the country, the ruling Kenyan African National Union continued to ignore other parties after the first multi-party elections in December 1992

On ethnic clashes in the country, which have killed over 1 000 people and displaced tens of thousands, the bishops reiterated earlier allegations that they were perperated by Kenyan authorities

Enumerating recent actions by the authorities which, they charged, had derailed Kenya's democratisation process, the bishops said

- "A country in which the Press is muzzled to the point of seeing printing machines dismantled by the police, is not on the road to democracy"
- "A country in which legitimate title deed holders are violently driven off their land is not on the road to democracy"
- "A country in which the government is still spending billions on luxury projects, while the education, health and social service system has become a scandal to the taxpayer and burden to citizens, is far from the road to democracy"

The bishops called on President Daniel arap Moi "not to escape from his responsibility as president, as he cannot escape the judgement of history"

In 1987, the Roman Catholic Church had nearly six million adherents here, representing 27 percent of the population

Journalists arrested after report on violence

NAIROBI. — Two Kenyan journalists were arrested by security forces after publication of a report saying nine people had died and hundreds had been displaced in a new flare-up of ethnic fighting in the country's Rift Valley province.

The journalists — Ngumo wa Kuria and Peter Makori — both working for the Lonrho-owned Standard newspapers, were expected to appear in court in the Rift Valley town of Nakuru today, probably on charges of "false reporting to create alarm".

Ngumo wa Kuria was arrested in Nakuru, while Makori was picked up from the western Kenyan town of Kisii and taken to Nakuru to face charges for the report, published yesterday by the Standard, but which police authorities have strongly denied

The report quoted 200 ethnic Kisiis who arrived back home on Monday night and told how an unidentified group terrorised people last Friday in Mau Summit of Molo area, killing some people and forcing the rest out of their homes.

The area was badly affected at the height of ethnic violence which left more than 1 000 people dead — Sapa-AFP

Star

Four Kenyan MPs join Moi

21/5/94

NAIROBI — Four Kenyan opposition MPs have resigned and defected to the ruling Kenya African National Union. (163)

KANU already holds 114 seats in the 200-member parliament after a landmark pluralist election in 1992

The main opposition FORD-Kenya party said the latest defections were an integral part of a "major offensive by KANU to disorganise, destabilise and if possible destroy the opposition in order to deprive Kenyans of the little air of political freedom they have breathed since the reintroduction of pluralist rule in 1992"

FORD-Kenya chairman Michael Kijana Wamalwa called the defections "immoral, despicable and objectionable"

Squabbling within opposition ranks before and after the election has greatly strengthened President Daniel arap Moi's 15-year grip on power

He promptly called on Kenyans to abandon the opposition, saying it was in total disarray — Reuter

SA welcomed to CPA unit

Sowetan

■ NO TOLERANCE Arap Moi pleads for African unity and diversity:

NAIROBI — A South African delegation was yesterday welcomed for the first time to a conference of the Commonwealth Parliamentary Association's Africa region

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Representing South Africa on an observer basis were Mr Robbie Karrenan and Mr Kamal Mansura of the Parliamentary Secretariat in Pretoria

26/5/94

Welcoming them, the chairman of the CPA Africa region, Mr Mose Tjitendero of Namibia, said: "We now hope to be together for the betterment of the people of the Southern African region and the continent as a whole"

Tjitendero, who is also Speaker of the Namibian parliament, praised President Nelson Mandela and Vice-President FW de Klerk for laying the foundations of a better future for their people

Reviewing the present situation in Africa, Tjitendero said lack of tolerance was posing a great threat to democracy

Opening the conference, Kenyan President Daniel arap Moi urged African leaders to re-evaluate their policies to avoid the imminent disintegration of the continent

He said Africa's diverse cultural and ethnic composition required that it devise its own parliamentary forms of democracy. African leaders must oppose efforts by developed countries to impose their democratic practices on the continent since some of these could "adversely affect national institutions"

The three-day conference brought together representatives from 11 African countries — *Sowetan Africa News Service*

Kenya frees up forex regulations

NAIROBI — Kenya abolished virtually all remaining foreign currency restrictions yesterday after its ruling party backed controversial economic reforms vigorously pushed by Western donors

(163) CT 26/5/94

Finance Minister Musalia Mudavadi announced residents and non-residents would from May 26 be allowed to buy and sell foreign currency free of all restrictions up to a value of $5 000 After that limit, they would have to pass through the Central Bank but no restriction would be placed on the amount changed

"This is about as free as you can get, it is quite an achievement," said one private banker

Mudavadi said new procedures would also be introduced to simplify transactions, previously mired in bureaucracy which encouraged corruption

The measures were announced a day after Kenya's ruling party backed a controversial reform programme, urged by Western donors, which embraces all aspects of the economy

The IMF, which completed a review of Kenya's Enhanced Structural Adjustment Policy (ESAF) this week, said Kenya had made considerable progress since multi-party elections in December 1992

The polls, which returned President Daniel arap Moi to power, caused a large increase in money supply and saw inflation spiral

The IMF said inflation was running at about 40%, but on the plus side foreign exchange reserves had risen to about $700m — four and a half months' import cover — and economic growth was likely to be 3% in 1994

[redacted]

Nigerian govt faces defiance

Star 30/5/94

WINNER of June 12 annulled election Moshood Abiola may form rival government if General Sani Abacha does not step down

Lagos — Political temperatures seem set to rise in Nigeria, where a deadline set by opposition groups for the military government to quit and restore democracy expires tomorrow

The National Democratic Coalition (Nadeco), which has thrown down the gauntlet to the government of General Sani Abacha, has not said what it will do if the ultimatum is ignored

But political sources say it is urging Moshood Abiola, winner of last year's annulled presidential election, to form a rival government

The military government has given warning that it will take decisive action against troublemakers, and has ridiculed the idea of Abiola forming a rival government

Abiola, a multimillionaire businessman, has also insisted that he is serious about challenging the government "In the next two weeks they will know that I am not joking when I form a national government," Abiola said on Friday

At the height of the mayhem unleashed when former military president Ibrahim Babangida annulled the June 12 election, Abiola left Nigeria, claiming his life was in danger

By the time he returned, Babangida had installed an interim government, and Nigerian activists, weary of the fight for democracy without the man who won the election, suspended their struggle (163)

In November, Abacha seized power and scrapped all political institutions set up during Babangida's six-year transition programme

Nadeco was buoyed by the low turnout of voters last week to elect delegates for Abacha's planned constitutional conference — Reuter

Kenya hopes for growth

BIDay 2/6/94

(163)

NAIROBI — Drought and poor economic policies forced Kenya's economic growth to decline for a fifth year in 1993 but recovery was now expected after good seasonal rains and reforms, planners said yesterday

Vice-President George Saitoti told reporters that the slowdown in economic growth was not as pronounced as in the previous two years when there was prolonged drought, macro-economic problems and a significant decline in real investment.

Saitoti was launching the government's 1994 economic survey The survey said that real gross domestic product eased to a dismal 0,1% in 1993 from 0,4% in 1992, 2,3% in 1991 and 4% in 1990.

"Prolonged drought which sharply reduced agricultural output, low aggregate domestic demand which resulted in sluggish growth in output of manufacturing and foreign exchange shortage in the first half of 1993 accounted for slowed growth," Saitoti said

"High inflation principally as a result of severe drought, excessive growth in money supply, massive depreciation of the Kenya shilling (currency) and liberalisation policies pursued by the government were the other crucial factors," Saitoti added

Saitoti said the government had liberalised foreign exchange restrictions, abolished import licensing, removed price controls particularly on maize, sugar and wheat and launched tighter controls in the financial management system to right imbalances.

Widespread rains in the second quarter of 1994 ended drought and freeing of exchange and trade laws meant increased investor confidence Easier access by exporters and farmers to foreign exchange "should help enhance production in all sectors".

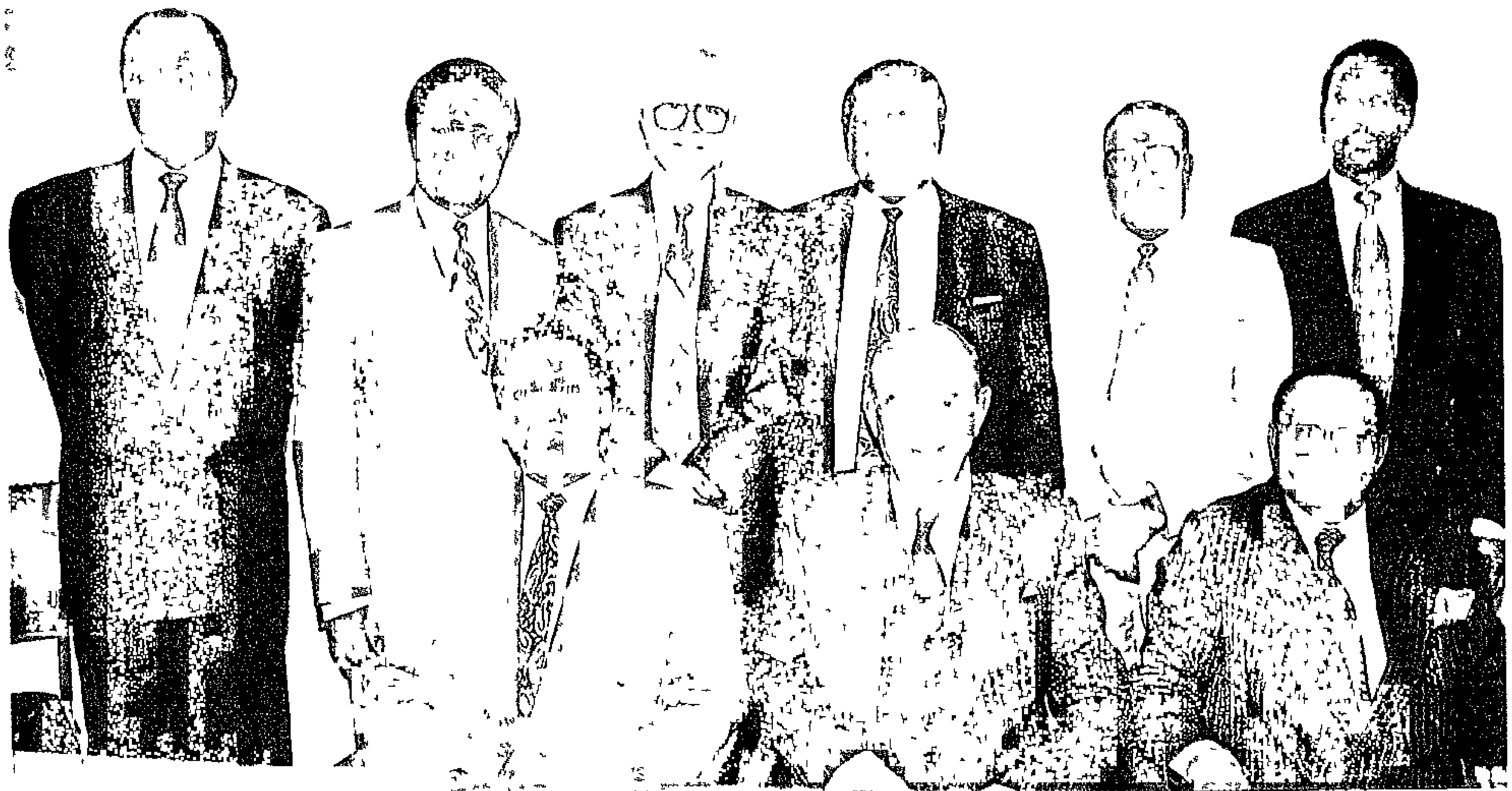
Saitoti projected that the economy would recover strongly and grow by around 3% in 1994.

The IMF has previously said that the economy needs a growth rate of 7-8% to create jobs and ensure social stability

The survey said despite adverse publicity by the international media, the number of tourists to Kenya rose to 826 000 in 1993 from 782 000 in 1992

Inflation rose to 46% in 1993, well above 27% at end-1992 Money supply growth rate eased to 28% from 35% in 1992 — when opposition leaders say the government printed cash to back the campaign by President Daniel arap Moi's ruling Kanu party in landmark pluralist polls in December 1992

For the first time since 1977 a currency account surplus was posted — Sapa-Reuter.



GROWING TRADE ... Kenya's Minister of Trade and Industry, Kiruw M'mukinda (left, front row) and six leading Kenyan businessmen visited the Cape Chamber of Commerce and Industry yesterday They were welcomed by the president of the chamber, Ernest Wilson (centre, front row) and deputy president, Michael Stekhoven (back row, third from left) Members of the Kenyan delegation were (from left, back row), BM Kikuvi, Josiah Green, Silas Ita, Peter Muthoka and Paul Chemng'orem Front row, right, Lawrence Ndeeri

Picture ANDREW BROWN

Kenyan market of major appeal

(163) CT 5|8|94

By AUDREY D'ANGELO
Business Editor

KENYA can provide training to upgrade levels of service in the SA tourism industry, and is a rapidly growing market for many of this country's products including wine, its Minister of Trade and Industry, Kiruw M'mukinda, said yesterday

On a courtesy visit to the Cape Chamber of Commerce and Industry he told its president, Ernest Wilson, and deputy president, Michael Stekhoven, that trade with this country had grown from nothing to $500m last year "and this year it will be double that"

The minister said that SA had become a major supplier of consumer goods, machinery and equipment to Kenya

One of the reasons for his visit was to know more about the new government's policies on matters such as regional co-operation

"The world is moving closer together as political and economic barriers come down Kenya and SA are both members of GATT (the General Agreement on Tariffs and Trade) and are opening their boundaries in terms of GATT agreements"

Kenya could sell coffee, tea, flowers, agricultural produce and textiles to SA and could provide services SA could export machinery and other goods to Kenya It was closer than other suppliers and understood the market better

The minister also invited SA manufacturers to open operations in Kenyan export processing zones (EPZs) which offered incentives such as tax holidays, duty free raw materials and no exchange controls He said Kenya had a well educated and highly productive labour force, with lower wage levels than those in SA

Pointing out that tourism was a major industry in Kenya, with high levels of service, he said training would be available for South Africans at its Utalii (tourism) training college Such training had been provided by the college to people from other African countries

Paul Chemng'orem, MD of parastatal Kenya Wine Agencies, said that his company alone had imported 3,1m litres of SA wine last year and would import 3,5m this year

The wine was imported mainly for consumption by tourists As a result of the SA wine exports, imports from France and Italy had "dropped significantly"

Kenyan politicians stoke tribal violence

(163) WM 29/7-4/8/94

Mark Huband from Nairobi

TRIBAL attacks, encouraged by extremist politicians intent on ethnic "cleansing", have killed thousands of Kenyans in the past three years and are forcing many more from their homes.

Plans by church groups to resettle Kikuyus driven from their land in the Rift Valley by thugs of the Masai and Kalenjin tribes, have met stiff government opposition.

Local government minister William Ole Ntimama, a Masai, recently rejected the plans, which have the support of the United Nations.

Ntimama, one of the most outspoken members of President Daniel arap Moi's government, said no displaced Kikuyus would be resettled on land which Masai and other tribes had violently occupied in recent years.

Up to 2 500 people have died and 300 000 have been driven from their homes by the clashes. Most of the victims are Kikuyus.

The conflict has been inflamed by politicians such as Ntimama, who claim the Kikuyus ousted the Masai and others from the Rift Valley after Kenyan independence.

Earlier this year, the chairman of Kapenguria town council told a press conference all Kikuyus had to dispose of their land and get out of the area within two weeks.

President Moi has not intervened and some observers believe he views the Kikuyus as a threat. He said on national radio last September:

"We have said in the past that when a multi-party system is introduced, it will create tribalism, divisions, and hatred and so on. This has now taken place."

Foreign pressure and domestic protest forced Moi to hold elections in December 1992.

Since then, he has demanded national unity while doing little to ease tribal tensions. His Kalenjin tribe has been implicated in the clashes.

Moi banned outsiders from the conflict areas last September and gave the security forces free rein to impose their will there. He also said incitement to tribal violence would be stamped on. That perpetrated by Ntimama and others has gone unpunished.

The same leniency was not shown to 12 opposition MPs.

They were charged in May with "creating a disturbance" when they attempted to lead a march protesting against tribal clashes in Molo. The charges were later dropped.

Nor have the Kikuyus escaped prosecution and threats of legal action for taking tribal loyalty oaths, which are an offence in Kenya.

Paul Muite, an opposition MP and lawyer, said scores of people had been arrested in Nairobi and taken to the Moi stronghold of Nakuru to be charged with taking tribal oaths. They are also being charged with robbery with violence — a capital offence — to prevent them being released.

"Moi appears to be pursuing the view that Kikuyus are arming themselves to overthrow the government," said Muite, who is representing several people accused of planning violence. He recently visited them in Nakuru prison.

Muite said they were being tortured by police so they would admit the Kikuyus were taking oaths to massacre all Kalenjins.

Despite the continuing violence, the UN human rights commission last year removed Kenya from the list of countries whose human rights records were under scrutiny.

Kenya's attorney-general, Amos Wako, has said police records showed that 365 people were killed, 7 113 displaced and 1 422 arrested in the 12 months before the December 1992 election, when the clashes were raging unchecked.

Kenyan church leaders and foreign human rights organisations, however, say the real figures are up to 10 times greater than those provided by the Kenyan government.

Wako goes further than other senior members of the government in denouncing the tribal clashes as a huge abuse of human rights.

He claims energetically that both Kikuyus and Kalenjins have been prosecuted for the ethnic violence.

But police figures show far fewer Kalenjins than Kikuyus have so far been prosecuted by the Kenyan authorities.

ARG 17/10/94

Ruling party wins Botswana election

Opposition trebles its parliamentary seats

GABORONE — The ruling Botswana Democratic Party (BDP) was declared the winner of Botswana's general election today after taking 23 seats in the Southern African nation's 40-member parliament

Declaring the BDP the winner, Chief Justice Moleleki Mokama said that President Ketumile Masire's ruling party had 23 seats and the opposition Botswana National Front 10 Final results are expected later

The opposition party has more than trebled its number of parliamentary seats from the last assembly when it held only three

The last constituency in the 40-seat parliament, enlarged from a previous 34-member assembly, will be fought later this month after the death two weeks ago of its incumbent MP.

The BNF said it planned to seek a government of national unity

"That is the only way we will be able to solve the problems of this country," said BNF leader Kenneth Koma

Mr Masire's Botswana Democratic Party (BDP) has ruled Africa's most stable democracy since independence from Britain in 1966

Election supervisor Nathaniel Mmono said voting had gone smoothly on Saturday.

University of Botswana sociologist Patrick Molutsi said opposition parties' gains corresponded to a move in the population from rural areas to towns

Mr Molutsi and other analysts said government corruption scandals and a slowdown in economic growth were key factors in voters turning away from the BDP

Political analysts said they expected little change in government policy after the election. The once pro-Marxist BNF now endorses a free-market economy, as does the ruling party, but has not as yet formulated clear policies. — Reuter

Kenya's economy recovering

(163)

ARG 17/10/94

NAIROBI. — Kenya's economy, which has been ailing in recent years, is showing signs of recovery after a tough dose of Western-backed reforms, say financial experts.

But Western aid donors say the government has failed to dismantle a chain of loss-making state-owned firms that draw $375 million (R1 027 million) in annual subsidies.

Experts also warn that the rising Kenya shilling — now 48 to the dollar against 80 last year — is endangering Kenya's export base and its thriving tourism industry.

"The pace of reforms has been good in many areas and one can clearly see positive results," said a Western diplomat.

The government last year introduced major reforms, including floating the shilling, freeing interest rates and removing import and export restrictions.

Under pressure from the World Bank, the International Monetary Fund (IMF) and Western donor nations who underwrite annual aid of up to $850 million (R2,975 million), the government also abolished price controls on key commodities and liberalised a formerly strict foreign exchange regime.

A World Bank representative in Kenya said that booming world prices meant coffee exports would earn 50 percent more than last year's $250 million (R875 million).

But he said streamlining state firms was proving difficult and controversial.

The government says it has earmarked some 250 state firms for sale in one of the biggest privatisations Africa has seen since the West began pushing for major reforms four years ago. — Reuter.

Niger leader ousted by vote

NIAMEY. — Niger's new prime minister Abdoulaye Souley has been voted out just 18 days after he was appointed.

A no-confidence motion in his minority government was yesterday carried by 46 votes to 36. It said the government was no longer able to govern and was incapable of dealing with economic problems.

Mr Souley was appointed on September 28 to replace Mahamadou Issoufou, whose Niger Party for Democracy and Socialism (PNDS) defected from the ruling Alliance of Forces for Change (AFC) to an opposition coalition, giving it 46 of parliament's 83 seats.

President Mahamane Ousmane said on Friday that if the opposition went ahead with the vote, he would take all steps to ensure stability. — Reuter

'Somaliland' troops seize control of airport

NAIROBI. — The president of self-declared Somaliland republic said his troops had seized control of Hargeisa airport and were chasing clan militiamen towards the border with Ethiopia

Aid officials said 13 foreign aid workers were flown from Hargeisa yeterday to the Red Sea state of Djibouti as a protective measure after sporadic shelling of the city

"We took the airport at 10am Our troops have cleaned it out and it is now completely in our hands," President Mohamed Ibrahim Egal said by telephone from Hargeisa

"The operation to take the airport began at 7 30am and by 9am we had them on the run"

The Republic of Somaliland in the northeast was declared in May 1991 but has failed to win international recognition. The fighting on Saturday and yesterday was the worst there in months.

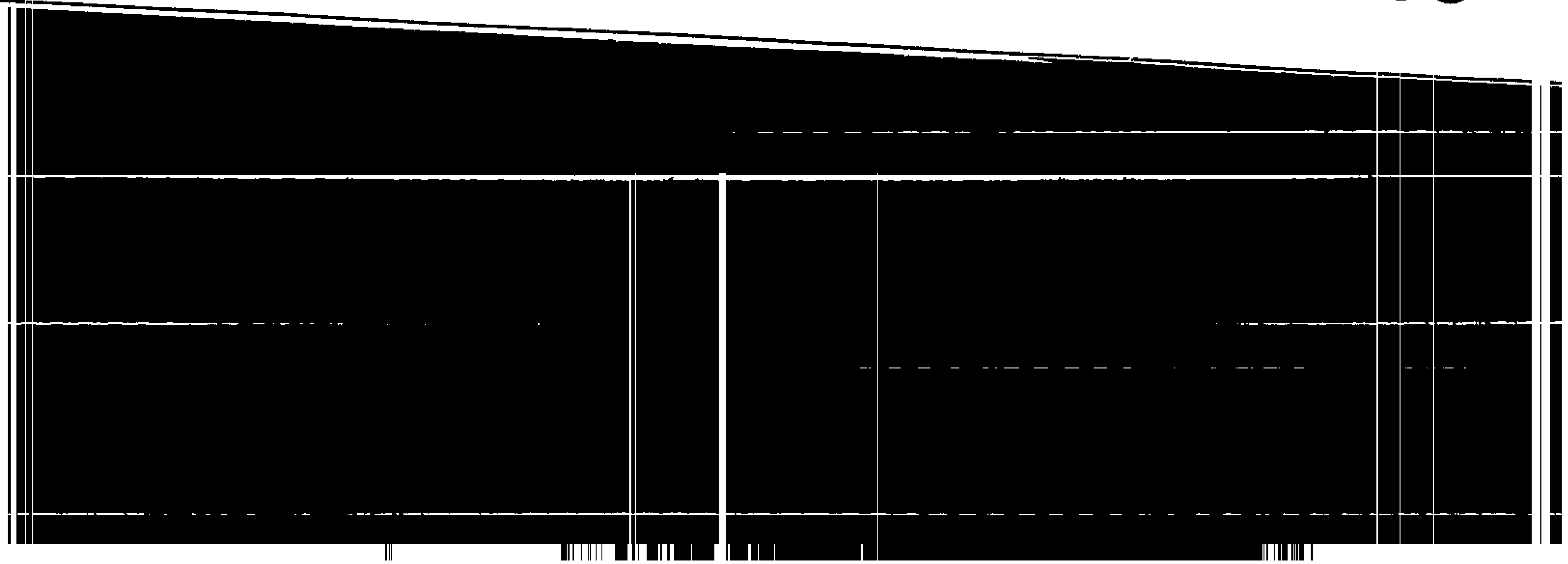
Clan militiamen had allowed Hargeisa airport to operate for the past year but exacted "taxes" from arriving flights until Mr Egal ordered his troops to surrround it more than a month ago

Mr Egal said he ordered his forces to attack militiamen holding the airport for the past year after rebels attacked government troops on the road to Berbera on Saturday and one militia commander was killed and four soldiers wounded. — Sapa-Reuter

The Kenyan doctors' strike, which ended last week, sheds a discomforting light on the probable shape of health care to come for not a few African countries, including South Africa. Health Writer **David Robbins** *reports from Nairobi on regional trends*

Unhealthy state of affairs strikes Kenya

Star 21/10/94



Star 21/10/94

There's been some ugly stuff surrounding the confrontation between about 800 state doctors and the Kenyan Ministry of Health Although the strike was finally called off last week, the episode has been marred by reports of patient deaths and declining health standards, as well as reports of striking doctors and their families being evicted from their state-owned houses at gunpoint

It's been dubbed "the world's longest-running doctors' strike ever", and with a duration of nearly four months, that's difficult to refute

"Yes, we knew we were in contravention of our oath," said one young Nairobi doctor who asked not to be named for fear of reprisals "But if this is the only way to get the health service reformed, then so be it. In fact, I wonder whether working as doctors, but without equipment and without drugs to treat our patients, isn't an equal contravention. It's certainly blatantly unfair and hypocritical," he said.

Although the doctors are back at work, the underlying issues have hardly been resolved, and they serve as chilling pointers to the future of health care in not a few sub-Saharan countries, including South Africa.

Another doctor, about to qualify as a specialist gynaecologist when the strike began in mid-June, is adamant "Of course it was about money, about conditions of service, about career opportunities But, equally, it was about the health service itself Doctors have been reduced to faith healers in the present totally under-resourced service.

Playing

"We've been accused of playing politics," the doctor goes on "In fact, we are fighting for democracy We want to be able to have our say about what is needed The health service is drifting down It's mismanaged And since the Cold War ended, the money has virtually dried up"

These words reveal the central dilemma of the social services, health in particular, in Kenya, Tanzania, Malawi, Zambia, Zimbabwe, and several other countries

Put in straightforward language the dilemma is as follows Africa is no longer the battleground for the struggles between the West and Communism, struggles which were fought largely with economic and other aid

The continent is now vacant territory where new economic dynamics are beginning to operate

African socialism and its attendant dream of free education and health care for all has failed. And now the World Bank's economic structural adjustment programmes are beginning to rub something more stinging than salt into the wounds (163)

Operating in conjunction with these programmes has been the demolition, or attempted demolition, of single party government, and the quite voracious appetite for freedom and some form of democracy which this demolition has liberated.

If the economists responsible for Africa's structural adjustment packages have done their sums correctly, self-sustaining economies will start emerging throughout the continent in about 20 years' time, although others say it will take at least 50 years

Pathfinder

What is certain is that the next few decades are going to be a pretty rough ride if the Kenyan doctors' strike can be taken as a pathfinder

The new multiparty freedoms have given the doctors not only a voice with which to air grievances but also higher expectations.

Behind the issues of pay and conditions of service, their disgruntlement is with a system which is no longer delivering as it used to

Doubtless, there is mismanagement and inefficiency, but there is also less money In real money terms, health budgets are shrinking; and hardly a country in the sub-equatorial region has not been persuaded or coerced into some form of cost recovery in the last few years

For the same economic reasons, health ministries are more or less actively wooing — or reinstating — private health care. The reality is clear state health systems can no longer afford to bear the whole health burden by themselves

In addition, health professionals, now freed from the constraints of socialism and the repressive discipline of the one-party state system, are increasingly being lured into the more lucrative private sector

A Dutch doctor who has worked in northern Tanzania for 20 years sums up the situation.

"The response of the newly independent African countries in the early '60s was to redress some of the imbalances created by colonial rule, she explains In health care, the emphasis was on curative medicine centred in the urban areas Independent Africa concentrated on the countryside But now the situation will turn the full circle

"Declining budgets, cost recovery schemes and the burgeoning of fee-for-service private sector activity will force the main focus of health care back into the cities. And those who need health care most, the rural poor, will be the ones least able to afford or even get to it"

The cruel reality is that health status indicators like infant and child mortality rates and life expectancy rates will probably get worse in most countries That is until, with luck, the continent reaches a point of sufficient social and economic development to allow for the introduction of affordable (and this time sustainable) health care schemes for all

It's going to be a long haul, and undoubtedly one which will be made more difficult by rapidly increasing populations

Of course, as economic development takes root, birth rates will drop That's been the pattern everywhere in the world But given the time scale of the economic structural adjustment programmes (20 to 25 years), the demographic trap for Africa is real enough

That's why Kenyan television carries extensive family planning material, including advertisements extolling the virtues of vasectomy But will such efforts be effective in a continent where so many children (it's as high as one in four in Malawi) die before the age of five?

Mortality

"It's useless to talk family planning to people who see so many of their kids die," says John Chikakuda, Health Project Officer with the United Nations Children's Emergency Fund in Malawi "First, you need to improve the mortality rates That, coupled with the economic realities of rearing children, will be the strongest inducement there is for birth control"

Indeed, many health experts now believe that mother and child care, as well as improved education for girls and women, may hold out the only real hope for the rough ride facing sub-Saharan Africa today

It is no accident that South Africa, which is not immune to these continental trends, has these elements of health care as central tenets in its new health policy

Kenya Airways set for privatisation

(163)

CT 21/11/94

NAIROBI — Kenya's indebted state airline is set to announce its plans for privatisation in which foreign investors could be offered a 25% stake.

A Kenya Airways memorandum quoted by the localy Daily Nation newspaper said that, apart from the quarter-share offer to foreign partner airlines, 30% is likely to be be floated on the Nairobi Stock Exchange which has already handled four other such sales.

The government is likely to buy 20%, a state-owned company identified as the National Social Security Fund (NSSF) 20%, and airways staff 5%.

Kenya Airways MD Brian Davies said last week 99 foreign airlines were invited to take part in the sale.

To make the sale more attractive, Kenya Airways wants the government to restructure its debt of $130m, although it is not clear how this will be done

Remedy for relieving overburdened system

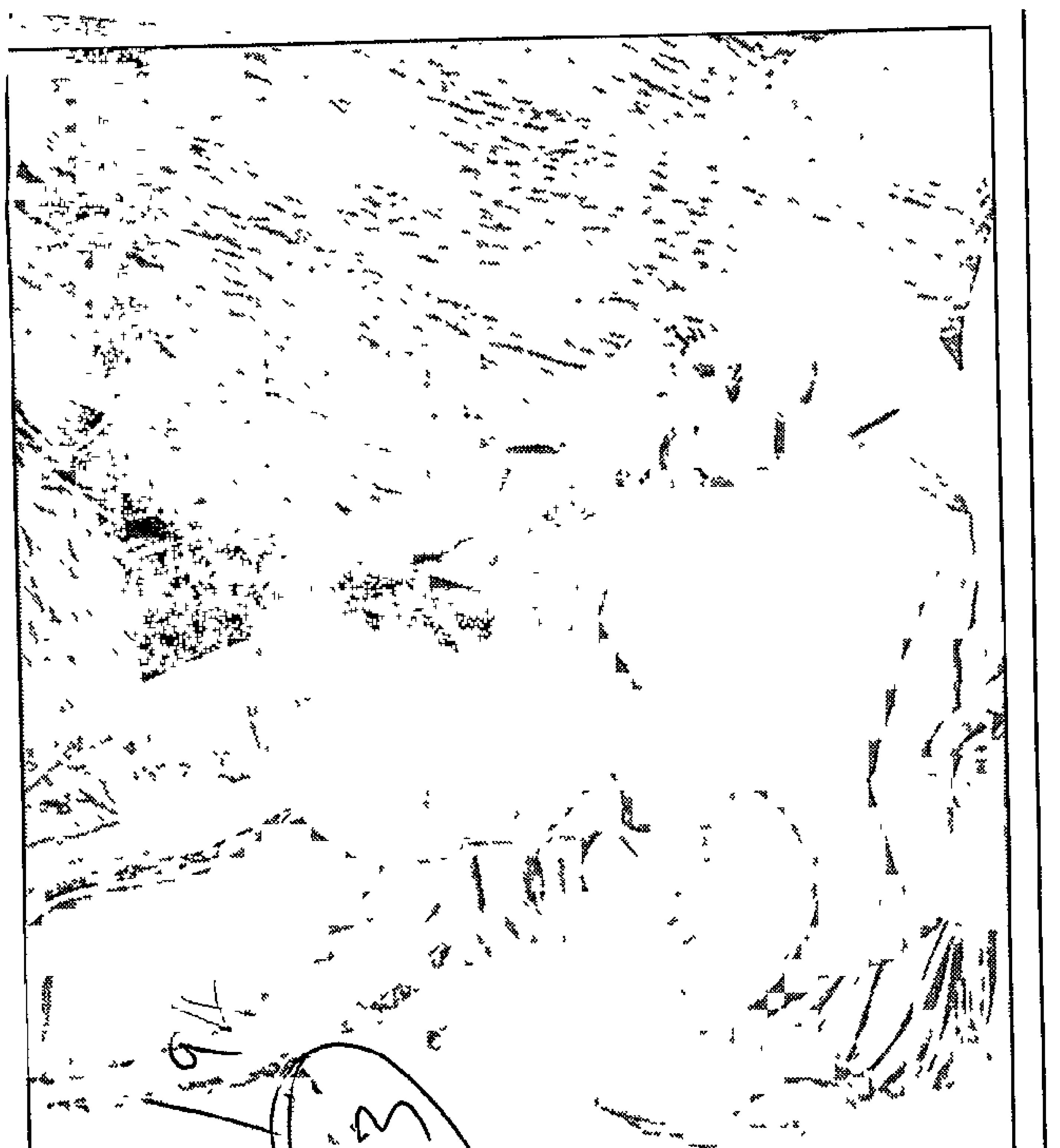
Star 13/12/94

COULD community financing of primary health care be implemented in South Africa? To help find an answer, Health Writer David Robbins reports from Nairobi on an initiative which is improving health care for millions of Kenyans, in spite of their country's beleaguered economy (163)

In theory, any good health-care system should comprise a network of clinics, with clear referral channels to health centres, district and regional hospitals, and from there to national or tertiary institutions Each level should be shielding the one above it from an unnecessary patient load But what happens in practice?

In many parts of South Africa, peripheral clinics are thin on the ground. One result is that tertiary institutions like Baragwanath Hospital or the Johannesburg Hospital are crowded with patients in need of care which could adequately be provided at much lower levels

Indeed, South Africa's dilemma as it moves from the old curative and urban based system to one more sensitive to the health needs of communities at the periphery is how to reallocate resources to achieve this without collapsing the hospitals at the centre



A Kenyan mother with her ailing child . . . many thousands of Kenyans are now receiving basic health care at community -financed clinics established in terms of Africa's own Bamako Initiative.

13/12/94 163

Could community-financed primary health care (PHC) facilities become part of the solution to our problem?

In Kenya, there is a reasonable number of peripheral clinics As the country's health budget has effectively shrunk in face of economic constraints, however, the services they offer has deteriorated. In particular, drugs are in short supply, and Kenya's health status indicators are beginning to slip

Enter the Bamako Initiative (see sidebar), which in Kenya introduces an additional health-care facility beneath, or at least in tandem with, the clinic, and which is financed and therefore owned by the community itself

At the heart of the Kenyan version of the initiative is the community pharmacy, a facility which stands outside the state health system but works closely with it

Unicef's senior project officer for health, nutrition and population in Kenya, Dr James Maneno, explains how a community pharmacy works

"The interested community provides a building (either built or rented) and local state health workers give the necessary training for a health committee to administer the pharmacy and also for a team of community health workers to support it "

The pharmacy is staffed by two of the health team, while the remainder operate on a part-time basis within the community itself Up to 30 of these part-time workers service a community of 10 000 The size of the gratuity offered to these workers is decided by the community committee

The Bamako Initiative

This new health-care initiative is so named because it was conceived at a meeting of African health ministers and World Health Organisation and Unicef officials held in Bamako, capital of Mali, in September 1987.

The initiative was concerned with the mobilisation of community resources to support primary health care development, especially preventive and promotive health care aimed at improving the survival and quality of life of women and children.

Although there are variations in its practice, the bottom line is community involvement through community financing and control

The Bamako Initiative has become a major strategy for strengthening primary health care at the district level in many African countries.

To start with, says Maneno, Unicef provides each worker with a medicine kit worth the equivalent of about R100. This represents a relatively modest start-up cost for a system which, once running, is proving to be self-sustaining

To achieve this sustainability, the medicines are sold at a modest profit to the user, and with these proceeds the pharmacy can replace medicines through Unicef's procurement system, and also build up a cash surplus

Long-term procurement plans include the formation of community pharmacy co-operatives, which could buy in bulk and at advantageous prices from manufacturers

"Naturally, financial control is important," Maneno says. "For this reason, financial records and medicine stock control are done in a highly visible way Some pharmacies in Kenya already have sizeable surpluses, and any dishonesty is soon weeded out by the community itself "

An unexpected side effect has been to undercut the black-market drugs pedlar, a familiar figure in many African countries where health services have deteriorated in recent years

The pharmacy's health workers deal with and supply medicine for the prevention and treatment of diseases like malaria, scabies, anemia, diarrhoea, conjunctivitis, worms, and also itching and stomach and general pain In this way, the pharmacy forms an important first entry point into the health system, with difficult or non-responding patients being referred upward to the clinics and health centres

Immunisation

Apart from the regular activities of the health team, community pharmacies have also become involved in health education programmes, the provision of clean water and sanitation, the sale and regular treatment of mosquito nets, nutrition and growth monitoring of under-fives, the sale of oral rehydration salts, family planning, and immunisation programmes

Central to the success of community pharmacies is the keeping and displaying of health statistics These are collected simply by taking regular stock of the medicines used from each health worker's medicine kit

Maneno says "The chalk and board method is used People can then see at a glance how their pharmacy is influencing the incidence of certain diseases Then monthly public meetings decide on any additional interventions that might need to be put in place to solve a problem which is indicated on the blackboard "

In some areas, pharmacies have grown into small community centres, with income-generating activities supplementing pharmacy income Adult education classes and day care centres are also developing around the clinics

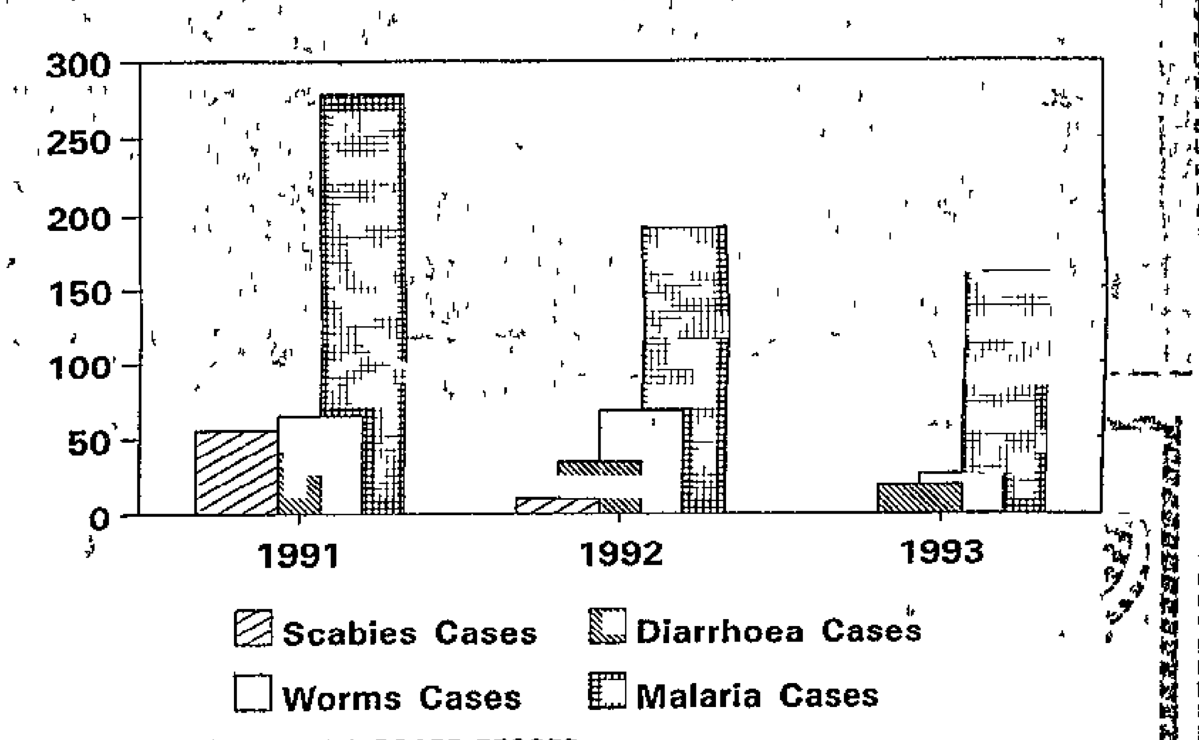
"Communities can decide how the facilities and the surplus income should be used," explains Maneno

He tells of one pharmacy in Kisumu, Kenya's main port on Lake Victoria, which is run by a group of erstwhile commercial sex workers who use the surplus to provide small loans to other women who wish to leave prostitution by establishing alternative sources of income

The growth in the number of community pharmacies is testimony to their effectiveness The project was begun in 1989, and now, five years later, more than 220 have been established throughout Kenya

"They're still being launched at the rate of two or three a month," Maneno says "The system works equally well in rural and the urban areas of Kisumu and Mombasa. Now we're working on the expansion of the programme in some of the most densely populated slum areas of Nairobi "

KIPLOMBE-BARINGO
DISEASE REDUCTION 1991-1993



BAMAKO COMMUNITY CHALK & BOARD RECORD

Decline . . the effectiveness of the community pharmacy concept is clearly seen in this graph distilled from the chalk-and-board records kept at one Kenyan pharmacy.

SOURCE UNICEF NAIROBI

I KENYA - GENERAL

1995

Kenyan govt bans 'offensive' NGO

■ STANDING ACCUSED Rulers say report 'ridiculed our image':

Sowetan 21/2/95 (163)

NAIROBI — Kenya has banned a non-governmental organisation which recently published a report alleging that high-level corruption had reached alarming proportions in the country, a government statement issued yesterday said

The official notice outlawing the Centre for Law and Research International (Clarion) accused the organisation of disseminating inaccurate and unsubstantiated material of a political character which gravely injured the credibility of the Kenyan government"

Last month Clarion organised a seminar in Nairobi and later released a voluminous report accusing the government of aiding high-level corruption. The report, entitled "The Anatomy of Corruption in Kenya, Legal Political and Socio-Economic Perspectives", said graft had permeated all levels of Kenyan society

It added that ordinary citizens, used to bribing government officials for virtually every service rendered, had become apathetic to corruption because they believed it was the official policy

The report, compiled with funds donated by the Danish International Development Agency, highlighted various corruption scandals, including the Goldenberg scam in which government officials and a businessman allegedly colluded to defraud the central bank of nearly 300 million dollars between 1991 and 1993

The government's notice banning Clarion stated "Your activities have been most injurious to the government's interests as you have exposed to ridicule and contempt the image and integrity of the Kenyan government thus compromising its position to discharge its public duties"

The Kenya Human Rights Commission (KHRC) described the decision to outlaw Clarion as an "extreme act of oppression"

Its executive director Mr Maina Kiai said "We see the act as a declaration that the government will no longer tolerate critical or independent thought in Kenya — thus discarding its facade that it respects democracy and human rights"

He said the government had made attempts to muzzle the Press and the opposition and was now "encroaching on the rights of the civil society"

The banning of Clarion comes a month after the government outlawed another non-governmental organisation, the Mwangaza Trust, formed last year by opposition member of parliament Mr Paul Muite to promote civic education and initiate donor-funded development projects in rural areas — *Sapa-AFP*

Group 'planned coup in Kenya'

(163) CT 10/3/15

'Be less critical or face being harassed, shackled, even closed'

Angry Moi turning on his far too independent press

(163) Star 23/3/95

BY JOE KHAMISI
STAR FOREIGN SERVICE

Nairobi — Kenya's independent press, for years President Daniel arap Moi's public enemy number one, is now under increased pressure to tone down its harsh criticism of government ills or face official retribution

Until the introduction of pluralism in 1992, the media were compelled to self-censor editorial material to ensure survival in a one-party dictatorship that demonstrated no respect for members of the Fourth Estate

Armed security personnel often raided and destroyed plants, printing anti-government publications Foreign publications containing critical articles were routinely confiscated on arrival and journalists were regularly harassed, beaten up by police and hauled into cells.

However, in almost three years of pluralism, nothing much appears to have changed. Although printing machines are no longer destroyed, the long arm of government continues to reach out to journalists and publications that won't toe the line.

Within the past two months alone, two publications have been banned for carrying material considered offensive to Moi's government.

One is Inooro, a hard-hitting Kikuyu monthly newsletter published by the Catholic Church. The other is Nuru, a publication of the Mwangaza Trust, a non-governmental organisation.

Nuru became prohibited material after the government deregistered the trust which was headed by one of Moi's arch opponents, MP Paul Muite.

Recently the offices of another anti-establishment publication, Finance magazine, edited by an ex-political detainee and now a member of parliament, Njehu Gatabaki, were destroyed by a mysterious fire

Now, apparently angered by their stubborness, the government and ruling party Kanu have turned their attention to two leading dailies, The Standard and The Daily Nation.

Of late, the two have been carrying scathing attacks on the government, sparing no one, including Moi himself. These attacks are often done through commentaries and cartoons and late last month, Kanu said enough was enough.

It threatened to have the two papers banned for tarnishing the names of Kanu and the government The party further instructed its members not to buy the papers calling them "enemies of the government and Kanu"

The latest government and party onslaught also comes at a time when Moi is under pressure to free up the airwaves or face pirate opposition radio stations

The two leading political opposition groups, Ford Kenya and Ford Asili, say they are in the process of setting up pirate radio stations outside Kenya's territorial waters Ford Kenya says its station could be operational as early as June

A task force formed last year under the chairmanship of Hilary Ng'weno, one of the country's foremost journalists, to look into the whole issue of media ownership and licensing, is yet to issue its report.

NEWS FEATURE *Financial difficulties surround the building of a new airport*

Uncertain project

163
Sowetan
27/3/95

■ THUMBS DOWN *Intense opposition to Moi's plan for new airport in Kenya*

WORK HAS begun on Kenya's third international airport in President Daniel arap Moi's home province — but there is continuing uncertainty over funding for the R255 million project

The contractors, SNC-Lavalin International of Canada, have started survey work, with the aim of completing construction by December 1996 The company claims its price is one twentieth of a quotation submitted by another company three years ago

Canada, France and Japan, which were thought to be providing the finance, deny having anything to do with the Eldoret Airport

This leaves two options Raising the money within the cash-strapped country or trying to persuade international banks to stump up the capital

Both options conflict with the terms of an agreement on balance of payment support with donor governments and institutions, under which Kenya is obliged to reduce domestic borrowing and consult donors before borrowing abroad

If not handled carefully, the project could damage relations with donors

Huge project

World Bank officials say they cannot understand how such a huge project — which involves a 3 500 metre runway and a 2 400 square metre terminal — failed to feature in routine consultations about infrastructure Their concerns are echoed by other donors

The project also seems to indicate a policy about-turn by Moi Only last October, while celebrating the 17th anniversary of his presidency, Moi told a Conference on the Social Dimensions of Development that priority would be given to projects geared towards alleviating poverty through small-scale development

But the airport scheme has left many diplomats from the west questioning the government's sincerity and wondering whether its economic programme deserves support

Local opposition to the airport has also been intense Critics argue that another airport is not a priority, and that in any case the site is wrong

Misty conditions

Says Professor Peter Anyang' Nyong'o, MP and opposition Ford-Kenya spokesman for economic affairs "Eldoret is too high and frequently experiences misty and foggy conditions, making the venture risky"

Adds another opposition MP, Kamau Icharia "The project is ill-timed, considering the bad shape of the 500km Nairobi-Mombasa road"

The road, linking the coast with three major game parks — Amboseli, Tsavo East and Tsavo West — is in very bad shape After the rains in December, vehicles were taking days to cover the journey between the capital and the coast

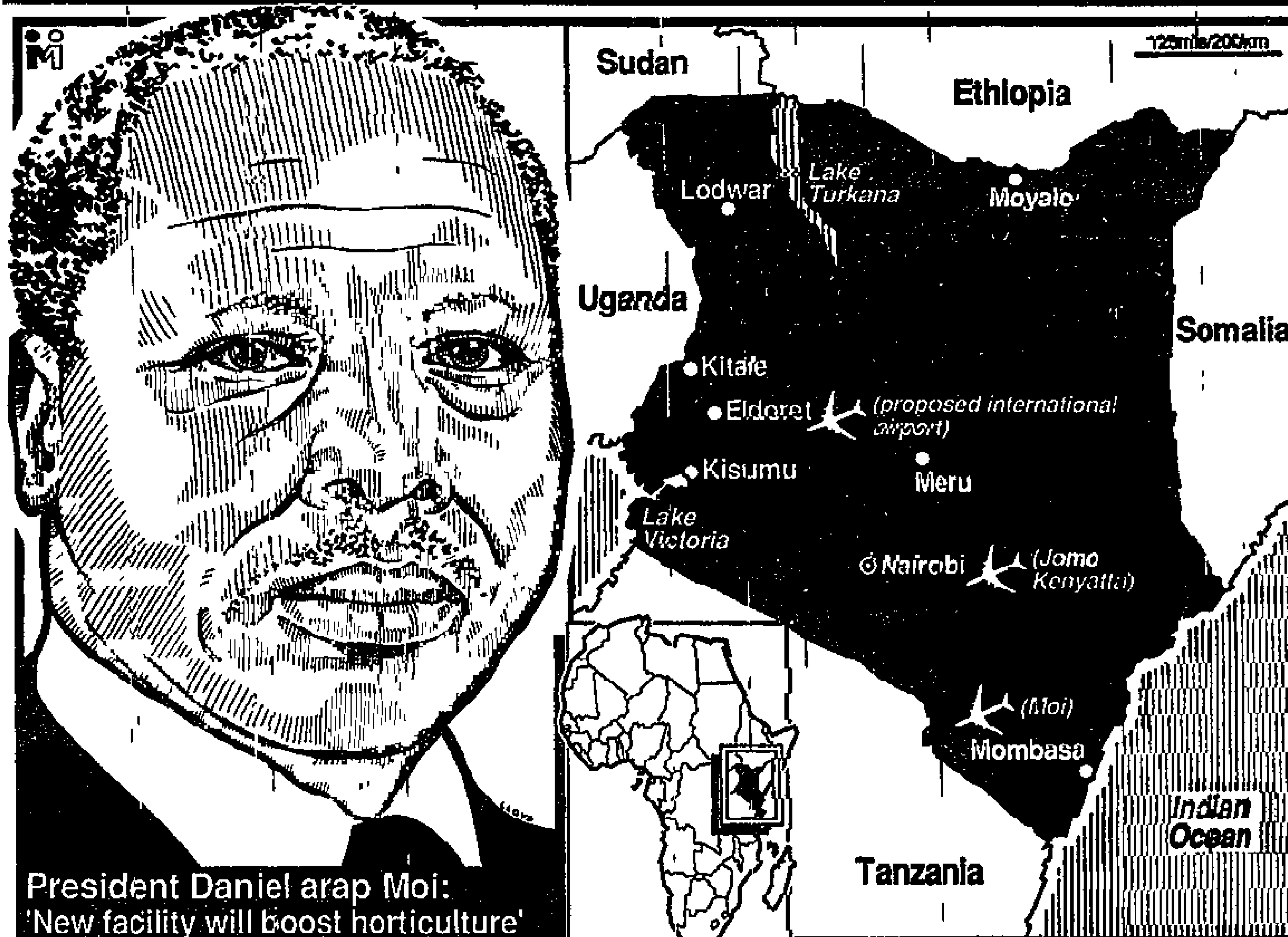
In addition, the country's other two international airports, Jomo Kenyatta in Nairobi and Moi in Mombasa, are crying out for improvement

R1,5-b renovations

Despite more than R1,5 billion worth of renovations at the two airports in the early 1990s, a lot remains to be done The surface of Moi Airport's sea-level runway continues to deteriorate, and analysts say it needs to be urgently relocated.

They say its alignment frequently forces landings and take-offs to be aborted, causing serious concern [illegible]

Kenya prepares for lift-off



President Daniel arap Moi: 'New facility will boost horticulture'

tourism industries

Jomo Kenyatta Airport, one of the busiest in sub-Saharan Africa, with a daily average of 50 international flights, has only one runway and cannot therefore realise its full potential

Flights were recently disrupted for two days after a Sudanese jet crash-landed on the runway

Critics also say if another airport is judged necessary, the town of Kisumu on the edge of Lake Victoria, bidding to be the hub of a re-created East African Union, would be a better option Those in support of the project, mostly residents of the Rift Valley province, argue that it will boost the agricultural sector, the mainstay of the province and the national economy

They point out that Eldoret's expansion makes the project viable

Developments include the R1,5 billion Turkwell hydroelectric project, Moi University and Eldoret Polytechnic

Supporters also argue that a new international airport will help divert tourists from the coast and the main national parks and reserves to new spots, including the undeveloped Lake Turkana area — *Gemini News Service*

Shortages get worse

(163) BD 30/3/95

KENYA is increasingly exposed to petroleum product shortages, which it rarely suffered in the past, says an industry official.

Energy ministry permanent secretary Crispus Mutitu told an oil and minerals conference in Johannesburg yesterday it had not been possible yet to compile enough data on the trading of oil companies to see whether competition had been enhanced or not, since measures were taken to deregulate the industry.

"Products shortages which the country hardly experienced in the past are increasingly becoming a common feature."

And, unlike in the past when government controlled imported products used to meet domestic quality specifications in nearly all cases, there had been an increase in the frequency at which domestic consumer specifications were not met, he said.

The eight oil-marketing companies had also made market entry by new traders difficult — Reuter.

(163)

Power cuts sap confidence in Kenya

CT(BR)-3/4/98

By Manoah Esipisu

SAPA-REUTER

Nairobi — Power cuts, long the scourge of African manufacturing and investment, are dealing new blows to Kenya's tourist industry and international reputation

Power is as vital as roads or telephones, but visitors now often find themselves in the dark at Nairobi and Mombasa airports, or its Indian Ocean resorts

The creaking infrastructure and what Western diplomats see as creeping political instability are increasingly threatening investment

Hotel managers complain that they have to spend hard-earned tourist dollars on buying and maintaining expensive generators "You can't afford to have 20 clients stuck in a lift, or not give them airconditioning and lights," said Alfonz Maloschik, general manager of Nairobi's Hotel Inter-Continental.

Hundreds of tourist hotels in Nairobi and at coastal resorts have installed generators in recent years

Hotels at the coast suffer as many as 15 power cuts a day, industry experts said

Investment in Kenya has stagnated in the last 10 years, and any cuts in tourism, which brings in $350 million per year, would be disastrous, said Gershom Ikiara, economics professor at Nairobi University

Lack of fresh investment in power utilities in the last five years has caused the shortfall. Last month the Kenya Power and Lighting Company (KP&LC) began a forced rationing of power, mainly in urban suburbs, in a bid to conserve its resources

KP&LC blames lack of investment on a freeze on donor cash Western donors banned about $40 million in monthly balance of payments support to Kenya in 1991 to force the government to implement sweeping economic and political reforms.

(163) Star 6/4/95

Kenya bank in reform call

Nairobi — The Central Bank of Kenya (CBK) yesterday called for a removal of remaining restrictions that undermined economic progress and the launch of strong reforms to achieve growth high enough to reduce poverty.

"Kenya's per capita income is estimated at $300; the number of people living in poverty is close to 11-million (in a population of 26-million) and those unemployed number around 2,25-million," the central bank said in its monthly review for March.

But the bank said the economy had shown signs of recovery after economic reform measures in the past two years that restored macroeconomic stability and forced inflation down to single-digit levels from 101% in June 1993.

It added that reforms had raised foreign exchange reserves to cover three to four months of imports from barely two weeks cover in 1993, and national income was estimated to have recovered in real terms by 3% in 1994 from less than 1% in 1993.

The bank said only annual Gross Domestic Product growth of 8% would point to development real enough to improve the lives of the poor.

In a diagnosis of Kenya's economic ills, the central bank said the economy needed to be fully opened to external trade and foreign investment, and a sound financial sector should be maintained through better surveillance

"The country needs to continue on the road of economic reform, removing the remaining sandbags which are pulling and preventing the Kenyan development balloon from flying higher and higher into the skies of better living standards."

CBK said that to achieve growth high enough to reduce poverty, Kenya had to raise investment from the current level, equivalent to 20% of GDP, to 27%.

Kenya had to shift emphasis to private investment as the engine for growth, increase domestic savings to 25% of GDP from 15% now, and cut the amount of investment needed to produce one unit of output from the current level of 8% of GDP to about 3,5%, the central bank said.

The bank wants a rise in industrial output from the current low level of 13% of GDP to over 30%.

The bank said to reach those goals, Kenya needed to ensure security for people and property and to encourage Kenyans to participate freely in political activities of their choice. — Reuter.

Asians come under fire in increasingly hostile Kenya

(163) Star 18/4/95

THE relative affluence of Asian traders in various African countries has often made them the victims of racial attacks. In Kenya, anti-Asian sentiment among the poorer indigenous peoples is running high, reports Joe Khamisi of The Star Foreign Service

When a Kenya police reservist of Asian origin was arrested late last year for killing an African street child, politicians and social activists rose in unison to suggest the murder was racially motivated.

Eyewitnesses to the crime testified in court that the reservist pumped six bullets into the boy before spitting on him and kicking his body into a ditch

Anti-Asian feelings rose even higher two months ago when the accused was acquitted for lack of evidence

And this month Kamlesh Pattni, a prominent Asian businessman, was exonerated by a parliamentary committee of wrongdoing in a multimillion-dollar financial scandal that threatened to topple President Daniel arap Moi's government two years ago

The committee's decision raised fresh anti-Asian sentiments with charges that members of the committee were bribed, presumably by the Asian community, to have the controversial billionaire exonerated

Fears of an increasing anti-Asian sentiment have been building up in Kenya for years, but it is a sentiment which seems to have taken a particularly ominous turn over the past two years inspired by the events just described.

"There seems to be a much more obvious hatred towards Asians by the African community," said Fayaz Qureshi, the only Asian TV newscaster in Kenya.

"This has increased the Asians' sense of insecurity and fear of becoming likely targets of racial animosity"

There have been several particularly gruesome murders of Asian businessmen in recent years. A local Hindu leader says Asians are becoming increasingly nervous about this state of insecurity in Kenya.

The Asian community is also worried that financial gains earned over the years could be lost if the present government fails to win elections scheduled for 1997.

Asians find Moi's moderate stance acceptable and in 1992 voted overwhelmingly for the ruling party, Kanu

Since Asians were brought to East Africa by the British a century ago to help build the Kenya-Uganda railway, they have managed to transform themselves from the then so-called "coolies" to petty traders and into undoubtedly the wealthiest and most influential group in the country

However, they number less than 150 000 in a population of 25-million people

The latest Business Trend Review magazine says Asians control most of the big businesses in East Africa and wield a lot of power and influence, but it attributes this to hard work and years of sacrifice

"All you have to do," the magazine says, "is to look out into the city streets and you will notice that more than two-thirds of all the sleek cars, residential houses, skyscrapers and businesses belong to them"

This high economic profile contrasts, however, with the perceived social aloofness and political indifference of this group

This perception is generated by the fact that Asians generally live in their own exclusive areas with high walls and multiple guards; they socialise in their own private clubs and maintain no political alliances other than support for Moi at election time

They also rarely mingle with Africans unless in a formal setting

As a consequence, during times of social unrest this community usually suffers first — being more often than any other community in Kenya the victims of looting, rape and physical violence

Although the government occasionally comes to the defence of Asians, opposition politicians do not hide their disdain for the community Only last week, an official of the opposition democratic party, Jose Munyao, called on parliament to urgently begin addressing the issue of the growing Asian influence

Complaining that Asians were dominating businesses in all the major towns, Munyao warned that unless the issue was sorted out now, it could cause problems in future

"The Asians have made Kenyans look like second-class citizens because they own virtually everything," he said

But Qureshi thinks the whole problem is more one of a struggle between rich and poor than one of colour.

"Rural folk come into town and see Asians behind every shop counter. If one was to reverse the situation where Asians were the majority and Africans controlled the economy, Asians would feel the same resentment Africans have now towards us," he said

Foreign investors scared off Kenya

CT(BR)24/4/95 (163)

BY JOE KHAMISI

ARGUS FOREIGN SERVICE

Nairobi — A myriad weaknesses ranging from poor economic and political performances to insecurity and corruption are scaring foreign investors from Kenya.

Analysts say these factors are partly responsible for the country being listed among the poorest in the world.

The level of foreign investment has been falling relentlessly during the past four years, underlying a virtual no-confidence vote in the government of President Daniel Arap Moi.

Kenya's Investment Promotion Council, which has the task of attracting investors, has been receiving 1 450 enquiries a year for the past four years, but only 431 have been processed and 125 have been implemented so far.

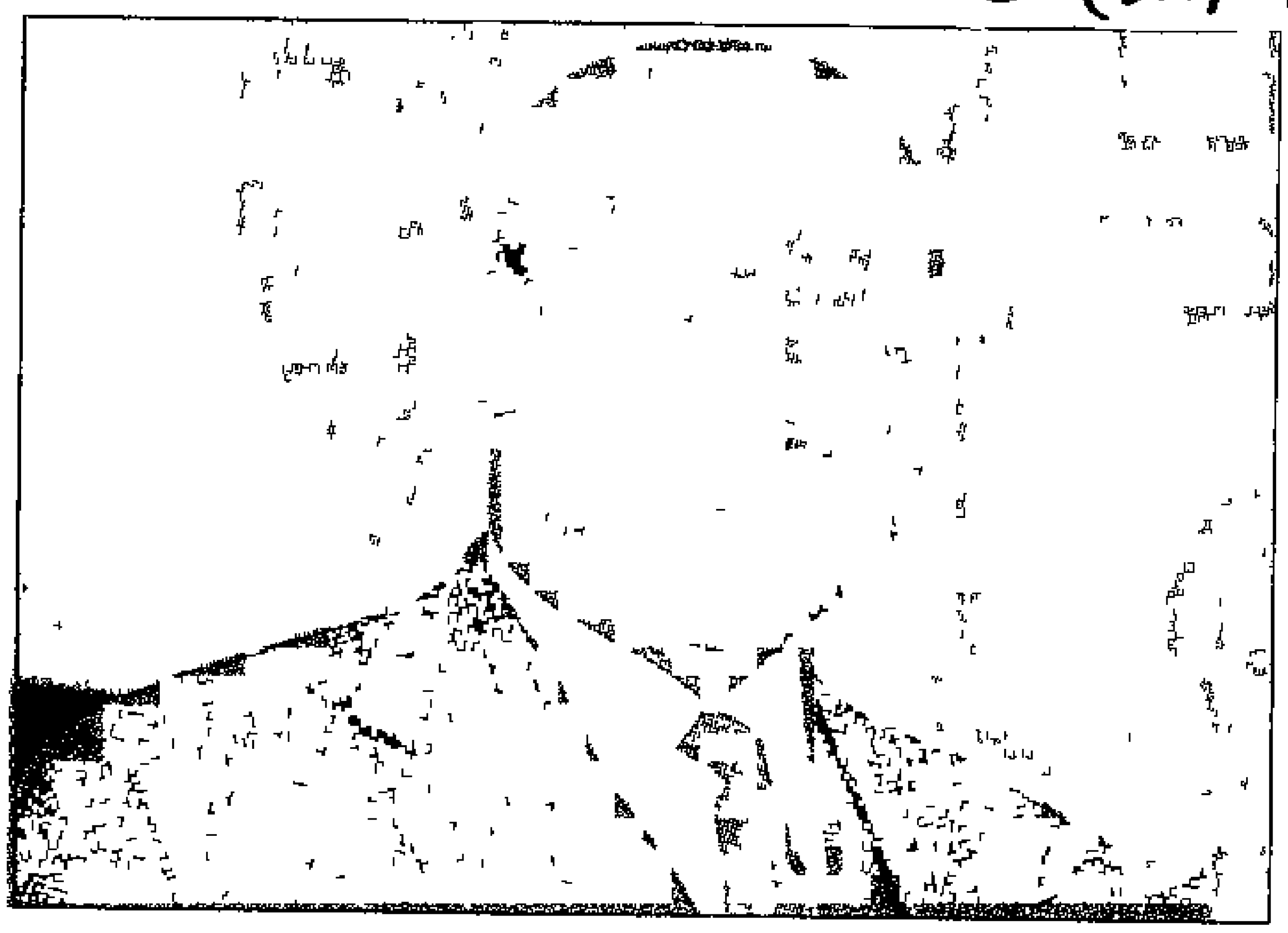
Investors complain of red tape and the absence of an investment code spelling out guarantees.

They are also worried about the country's political stability, the government's commitment to economic reforms, insecurity due to intermittent tribal clashes as well as rising crime and a deteriorating infrastructure.

Although a reluctant Moi has managed to put in place sweeping reforms, including strict monetary controls and the abolition of marketing, price and production controls, investor confidence has not been restored.

"The climate is not yet right for large scale involvement here," said one investor during a recent seminar.

"We are still worried about long-term political stability and other factors such as corruption and excessive government interference."



CONFIDENCE GAP *Investors remain wary despite President Daniel Arap Moi's introduction of sweeping economic reforms*

In addition, basic infrastructure, particularly roads, needs improvement. Last year, the strategic highway linking the capital Nairobi to the port town of Mombasa was shut down for days because of rains, stranding tourists and goods destined to neighbouring countries of Uganda, Zaire, Rwanda and Burundi.

The state of the roads received widespread publicity abroad, prompting the World Bank and the European Community to announce a rehabilitation assistance package.

South African company Engen, which has a bitumen plant in Kenya, is expecting to cash in on the road reconstruction boom, according to John Slee, Engen's general manager in Kenya.

Rehabilitation of water and electricity works, sewage and garbage disposal facilities, is also required, especially in the bigger towns.

Economic analysts believe that for the country to be able to tackle the problem of poverty, it must grow at a sustainable rate of not less than 8 percent.

With a population of 25 million, Kenya has a potential labour force of about 10 million of which 2,25 million are unemployed.

To achieve meaningful growth, the level of investment must increase from its present level of 20 percent of GDP to 27 percent, according to an economic survey conducted last year.

But these goals remain unattainable because of investor apprehension.

Net foreign investments in Kenya dropped from \$78 million in 1980 to \$23 million in 1990. In 1991, only \$19 million was invested in the country.

Kirugi M'Mukindia, the commerce and industry minister, admitted recently that 1993 saw a further 3 percent drop in private investments.

He attributed the decline to "lack of confidence by investors in the sustainability of reforms".

Last May, Kenya hosted an investors' conference in Nairobi to inform the world the country was serious about its economic reforms.

In November, Moi led a large entourage of officials to Britain to seek fresh investment commitments at a conference organised by the Confederation of British Industry and the East African Association.

Although the response from 120 leading British companies was encouraging, it fell short of assuring Kenya of tangible new projects.

Many participants felt the government had first to convince local representatives of overseas firms about the future of the country.

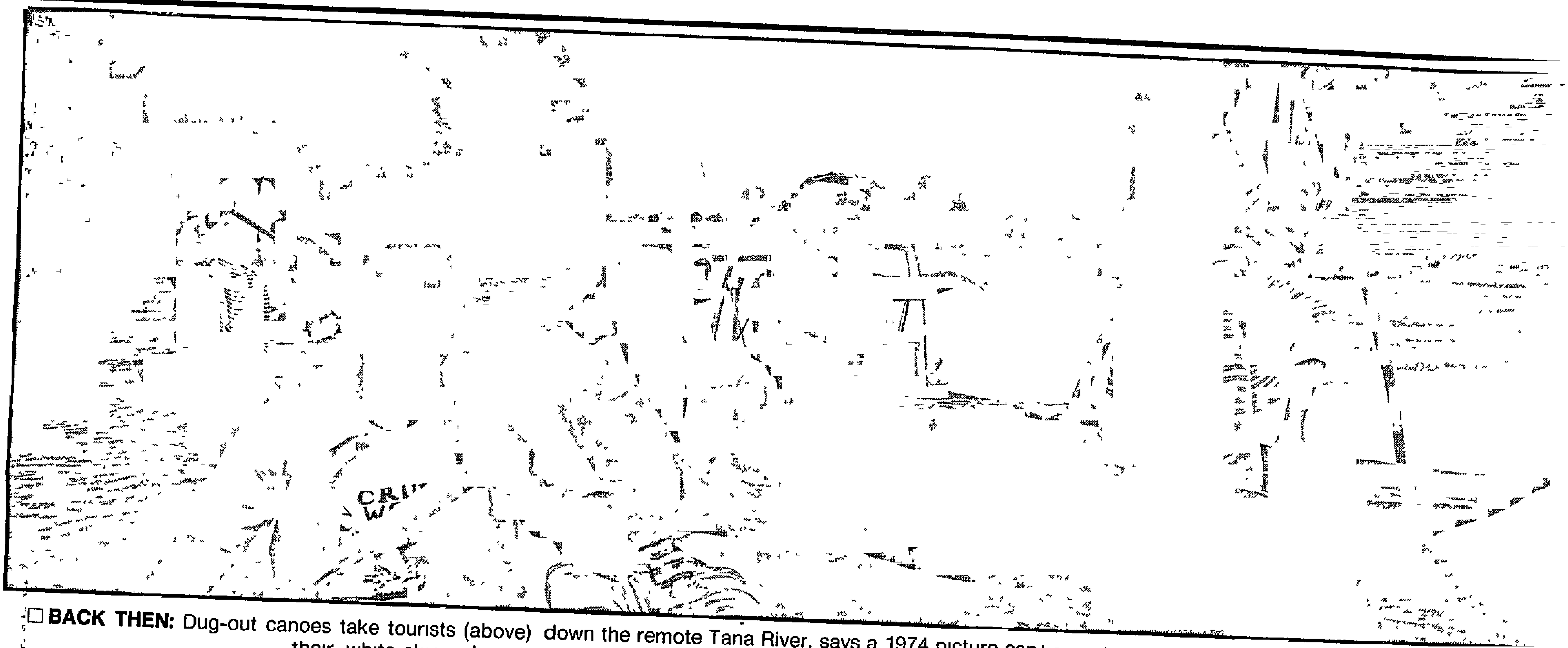
"If the government wants more foreign investment, it must first persuade local chief executives that the climate for it is right," Charles Gardner, an East African Association representative said at the meeting.

Kenya's investment comes mainly from Italy, the United States, Britain, China, Pakistan and India. So far, South Africa's response has largely been muted, with potential investors taking a wait-and-see attitude.

The major point of contention is the absence of an investment code. Despite promises since 1994, the code has not been formulated.

Some say bureaucrats are dragging their feet fearing the code would usurp their powers if implemented.

At the moment the Investment Promotion Council, which was established in 1986, is without substance, its powers having been taken away by officials in the treasury and commerce and industry ministries. But executive chairman, Martin Kunguru, nonetheless predicts a turnaround this year.

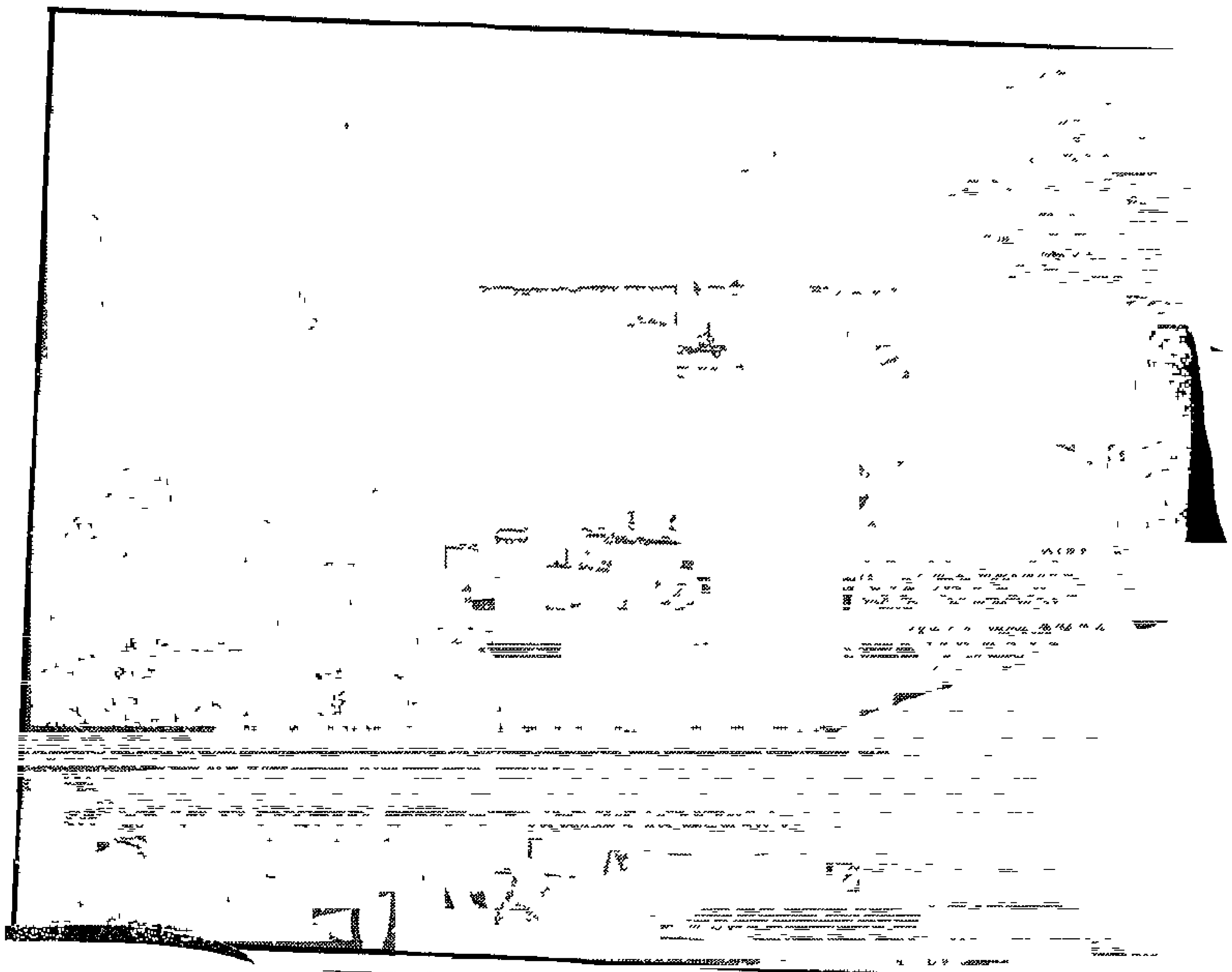


BACK THEN: Dug-out canoes take tourists (above) down the remote Tana River, says a 1974 picture caption, where "friendly natives came out to dance for their white-skinned visitors". Below, tourists watch game from Kilaguni Lodge, near Nairobi, in 1964

Kenya is fading as a tourist destination

(163)

ARG 29/4/95



OE KHAMISI
Weekend Argus Foreign Service

■ Kenya, once the exotic setting for African safaris and white mischief, is turning into a mugger's paradise and a nightmare for tourists. They're coming here instead.

AIROBI. — Kenya is osing tourists to South frica, Tanzania, Uganda nd Botswana because of s high crime and road accident rates

During the past six months least 100 British, German, tch and Italian tourists were ttacked, hijacked and robbed their belongings, including and property

Seven Italian, one Swiss and r German holiday-makers killed in road accidents

Most of the attacks on tour- took place along the beach- and on roads leading to parks

in one serious incident in obi last December, seven ans on a volunteer mission robbed of property val- at R833 000 by a gang d with guns

was so scary for us as the rs threatened to shoot

y stripped us virtually said Azzalin Dino, vice- ent of the International eration for Oral Health

ttackers are often armed s, bows, arrows and swords In one incident earlier this month, an armed gang of 10 robbers attacked Italian tourists relaxing in a boat and stripped them down to underwear, then punched a hole in their glass-bottom vessel and swam away Nobody was injured

In other incidents, tourists have been slashed with pangas and left for dead

According to the Kenya Association of Hotel Keepers and the Tour Operators' Body, the many cases of serious and petty crimes were scaring off visitors

Many hotels and lodges during the recent tourism season remained virtually empty as a result of adverse publicity abroad arising from tourist deaths and thefts

Police authorities admitted the rising crime rate was overwhelming police resources, saying new methods were needed to combat crime

The Kenya government recently unveiled plans for a tourism police force to patrol the beaches and isolated roads leading to game reserves.

Several top police officials were sent to Egypt and Thailand last year to learn the latest techniques to deter such crime.

Hoteliers and travel agents in the northern coastal resort of Malindi have formed their own committee to co-ordinate security in the bandit-infested Tsavo National Park.

Visitors to the park are now provided with an armed escort

Although tourism last year brought 826 000 visitors to Kenya, it has lost its dominance as the top foreign exchange earner to tea and coffee.

And, apart from crime, there have been other factors detrimental to the tourism industry

They include road accidents caused by poor roads and unroadworthy vans, high taxation, frequent power blackouts, lack of water — particularly along the coast and the rise in cases of malaria

Kenyan magazine presses seized, owner held

NAIROBI — Kenyan police have raided a firm which prints a magazine critical of the government, seized vital components from the presses and arrested its owner

Police took away printing plates and art works bearing material for the next edition of Finance, a bi-weekly magazine printed by Colourprints and critical of President Daniel arap Moi

Colourprints owner Anil Vidyarthi was detained for several hours on charges of publishing seditious material He was later released on bail

Finance editor and opposition memeber of parliament Njehu Gatabaki has escaped several attempts to arrest him this week

The magazine's current edition has reproduced an article from a Ugandan newspaper, linking former Energy Minister Nicholas Biwott to the murder of Foreign Minister Robert Ouko in 1990 Mr Biwott is one of President Moi's closest aides ARG 29/4/95

Mr Gatabaki has faced repeated sedition charges in the past few years But he said "no amount of intimidation and violence" would stop him from "championing the cause of democracy" (163)

Finance resumed publication last year after being forced to close down for 18 months by numerous police seizures of copies from news stands and damage by police to a former printer's presses — Sapa-AFP

Tourists give Kenya wide berth

(163) Star 1/5/98

Nairobi — Kenya is losing tourists to South Africa, Tanzania, Uganda and Botswana because of its high crime and road accident rates

Other factors detrimental to the Kenyan tourism industry include high taxation, frequent power blackouts, lack of water, particularly along the coast, a strong local currency, and the rise in cases of malaria.

During the past six months at least 100 British, German, Dutch and Italian tourists have been attacked, hijacked and robbed of their belongings

Seven Italian, one Swiss and four German holidaymakers have been killed in road accidents

In one serious incident in Nairobi in December, seven Italians on a volunteer mission were robbed of property by a gang armed with guns

"It was so scary, as the gangsters threatened to shoot us. They stripped us virtually naked," Dr Azzalin Dino, vice-president of the International Co-operation for Oral Health, said

Attackers are often armed with guns, bows, arrows and swords In one incident last month, an armed gang of 10 robbers attacked Italian tourists relaxing on a boat and stripped them down to their underwear, then punched a hole in their glass-bottom vessel and swam away Luckily no one was injured

Adverse publicity

According to the Kenya Association of Hotel Keepers and the tour operators' body, the many cases of serious and petty crimes are scaring off visitors

Many hotels and lodges remained virtually empty during the recent tourism season as a result of adverse publicity abroad

Police authorities admit the rising crime rate is overwhelming their resources, saying new methods are needed to combat crime

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Hoteliers and travel agents in the northern coastal resort of Malindi have formed their own committee to co-ordinate security in the bandit-infested Tsavo National Park Visitors to the park are now provided with an armed escort

Although tourism last year brought 826 000 visitors to Kenya, it has lost its dominance as the top foreign exchange earner to tea and coffee — Star Foreign Service

▶ Cartels target Kenya – Page 5

Leakey's new party to target corruption

NAIROBI — Kenya's renowned wildlife conservationist, Richard Leakey, has announced the formation of a new political party dedicated to wiping out corruption, enforcing the rule of law and ending police brutality.

Former Kenya Wildlife Service director Leakey said on Sunday that the name of the party would be announced as soon as registration formalities were completed.

"I am making the announcement on behalf of a much larger number of people who believe that a fresh political initiative is needed," Leakey said.

"Our country is slipping backwards, standards are falling, the people are being cheated. Something must be done and it must be done now. Corruption is rampant at all levels in public service."

Lawlessness had reached "fearsome levels," he said and police brutality had become the rule.

The party will be led by former Forum for the Restoration of Democracy-Kenya deputy Paul Muite.

Leakey, flanked by several leading opposition activists, said the party was a response to growing concerns about government failings and increasing frustration over the performance of opposition leaders.

He said his group found it difficult to work with the opposition due to "infighting, the absence of principle and the disregard of accountability."

Leakey resigned as wildlife service director last year after disagreement with President Daniel Arap Moi on conservation policies and subsequently underwent much public vilification by hawks in Moi's ruling Kenya African National Union and government officials.

The move to opposition politics signifies Leakey's official break from the country's current leadership, where he had enjoyed close ties.

His younger brother, Philip, remains a staunch ruling party operative and served as a cabinet minister in Moi's government until he lost his parliamentary seat in 1992.

Leakey could change face of opposition

White Kenyan takes on Moi's government

Star 9/5/95 (163)

Nairobi — The Kenyan government yesterday poured scorn on the dramatic entry into politics by conservationist Richard Leakey, saying he had nothing to offer

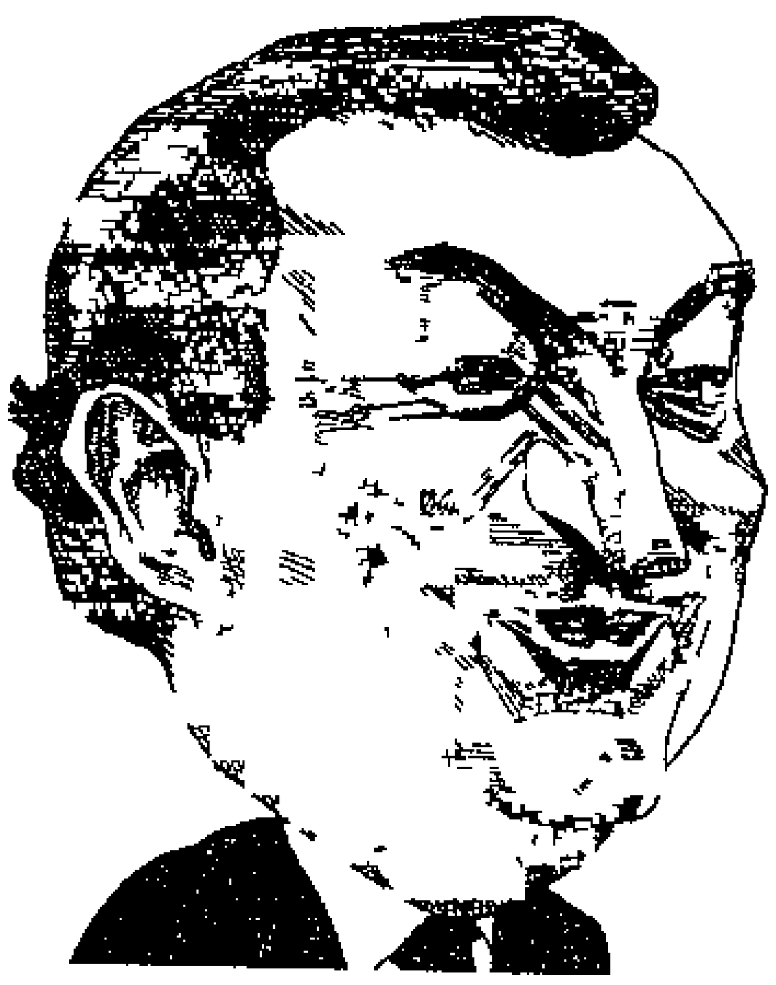
But Nairobi University analysts said the aggressive anti-graft crusader, who is a white Kenyan, would change the face of Kenya's opposition, which lost elections in 1992 because of an ethnic split that still persists

Leakey called on Sunday for a new political movement in Kenya, saying government incompetence had become commonplace and opposition leaders had performed badly

The East African Standard said Leakey's announcement would cause major ripples in political circles, and the Daily Nation described the conservationist's switch as dramatic

But Information and Broadcasting Minister Johnstone Makau said "Accusations levelled by Leakey that we (the government) have failed are not anything to go by If he has found himself ignored, it is because he has nothing to offer"

In a defence of Kenya's rulers against a scathing attack by Leakey, Makau said strife in neighbouring countries such as Somalia and Sudan meant the arrival in Kenya of illegal weapons, which had led to increased crime



Richard Leakey . graft in government and crime are his declared targets

Leakey (49), who headed the Kenya Wildlife Service until he resigned a year ago after being attacked by government leaders, said he spoke for a larger opposition group that included human rights lawyers Paul Muite and Gitobu Imanyara.

It was the first time Leakey, who lost his legs in an air crash in 1993, had publicly addressed the concerns of ordinary Kenyans, signifying a break from the country's leadership, with which he had long enjoyed close ties

Makau said the government of President Daniel arap Moi had made provisions to beef up security along Kenya's borders to curb crime and was committed to political stability as a way of bringing sustained economic growth

A Nairobi University political analyst said 'Leakey has a clean public record, is untainted, and as a white Kenyan does not subscribe to tribal allegiances That makes him serious business"

In reference to the loss of his legs, Leakey told reporters on Sunday 'I want it clear that this (new) call is by Richard Leakey, the guy with no legs"

Makau said transition to pluralist democracy at the behest of Kenya's donors in 1991 had resulted in the formation of many ethnic-based opposition groups, and Kenya had no opposition groups espousing specific ideologies or policies

He ruled out a total overhaul of Kenya's constitution, saying that 'only countries such as South Africa, which previously had laws that favoured one race, or Uganda, which had a long period of instability, needed sweeping changes

Leakey is the son of the late palaeontologist Louis Leakey and his wife Mary, who made fossil bone discoveries that led to a dramatic revision of theories about the origins of man — Reuter

(163)

Leakey forms Kenya party

ARG 10/5/95

NAIROBI — Kenya's renowned wildlife conservationist, Richard Leakey, has announced the formation of a new political party dedicated to wiping out corruption, enforcing the rule of law and ending police brutality

Mr Leakey, former Kenya Wildlife Service (KWS) director, told newsmen the name of the party would be announced as soon as registration formalities were completed

"I am making the announcement on behalf of a much larger number of people who believe that a fresh political initiative is needed," said Mr Leakey

"Our country is slipping backwards, standards are falling, the people are being cheated Something must be done and it must be done now Corruption is rampant at all levels in public service"

Lawlessness had reached "fearsome levels", he said, and police brutality had become the rule.

The party, to be formed by opposition activists, will be led by former Forum for the Restoration of Democracy-Kenya (FORD-K) deputy-leader Paul Muite

Mr Leakey resigned as KWS director last year after disagreement with President Daniel arap Moi on wildlife conservation policies and was subsequently subjected to much public vilification by hawks in Mr Moi's ruling Kenya African National Union (Kanu) and government officials — Sapa-AFP

Aids panic: HIV 'is rife in Kenyan blood supply'

ARG 11/6/95 (163)

JOE KHAMISI
The Argus Foreign Service

NAIROBI — As the number of HIV carriers in Kenya edges closer to the one million mark, reports of widespread use of contaminated blood in hospitals across the nation are causing panic.

Patrick Osewe, a Kenyan researcher working at the US Federal Centre for Disease Control (CDC) in Atlanta, Georgia, reports that HIV transmission through blood transfusion still occurs in Kenya while it has been eliminated in most countries, rich and poor alike

"Fifteen years into the Aids epidemic and 10 years after the HIV test was discovered, blood contamination with HIV is still being transfused to the unsuspecting public in Kenya," Dr Osewe said

A study conducted late last year by the CDC on all the blood donated in five government hospitals in western Kenya and the giant Kenyatta National Hospital in Nairobi, revealed a disturbing level of blood contamination.

During the four-week study, Kenyan laboratory technicians reportedly missed one quarter of the infected blood

In one hospital, 36 percent of the blood was not screened despite availability of screening kits And when these bloods were tested at the CDC, 23 percent were found to carry the HIV virus

"Since the blood bank serves both the government and the private hospitals nationwide, and due to constant exchange of blood between private and government hospitals, no hospital can be said to have a safe blood supply," Dr Osewe says

Blood transfusions are said to account for 10 percent of all HIV infections in Kenya, the rest being mainly through heterosexual contact

"There is no routine testing of blood for transfussion in many Kenyan hospitals," one investigative report said recently. "Most doctors simply 'cross their fingers' in the face of emergencies," journalist Jane Naitore wrote She said many Kenyans were increasingly refusing to donate or receive other peoples' blood, preferring instead to bank their own blood ahead of operations

A source at the United Nations Environmental Programme in Nairobi, said the agency routinely advised its international staff to return home for emergencies

Another big problem facing the country in its fight against Aids is the widespread lack of testing kits. During the CDC study, emergency kits had to be flown in from the US There is also a steady increase in infections affecting medical workers particularly nurses and midwives. In the majority of cases, medical workers have to perform their duties without the benefit of protective gloves, thus exposing them to the killer disease

Although the number of medical workers contracting the virus is still insignificant, there is fear that the matter could get out of control if the government fails to intervene.

Official statistics indicate at least 800 000 Kenyans are HIV carriers while 52 000 have died or are currently in the terminal stages of the disease

In a nutshell, one out of every 14 Kenyans is HIV positive These figures represent cases reported to the authorities Social workers say they could be much higher

Kenya's Moi goes own way without care

Star 11/5/95

(163)

KENYA'S failure to liberalise its economy fuels wrath of aid donors, writes Joe Khamisi of The Star Foreign Service

Germany, Norway and Austria have announced substantial cuts in their aid commitments to Kenya.

This follows serious concern expressed by donor nations at recent events in Kenya which they say, violate the letter of understanding reached during the last donors' consultative meeting in Paris in November

Denmark, Japan and Britain have warned that any further disbursements would depend on the country making substantial progress in political and economic reforms.

Germany slashed its aid for new projects by nearly two-thirds from $92-million (about R340-million) to $35-million this year, while Australia announced it was slowly reducing its aid package to Kenya in favour of other needy nations in eastern Africa.

In addition, the World Bank has put on hold requests by Kenya for $260-million in loans to finance three major infrastructural projects involving roads and the energy sector

To underscore the world's frustrations over President Daniel arap Moi's lack of commitment to internationally prescribed structural adjustment programmes, Kenya has been summoned to appear before the World Bank Board in July to explain its apparent ambivalence in meeting donor conditions

Intermediate

"Events have forced us now to insist on an intermediate meeting,' one diplomat was quoted as saying

The donor meeting was not scheduled until November

The International Monetary Fund (IMF) is also dispatching a mission to Kenya this week to discuss a new Enhanced Structural Adjustment Facility, and the Structural Adjustment Credit, involving millions of dollars

Donor representatives are expressing disgust at the government's dilly-dallying attitude to reforms

They want Moi to show a more serious commitment to democratic ideals by freeing the airwaves, allowing free movement and expression by government opponents, cutting government expenditure, putting a stop to State meddling in business and keeping its exchange rate competitive

In short, they want to see a better management of the economy and more tolerance on the part of government

Economic observers here view this week s IMF mission to Nairobi as crucial, saying it would set the pace for the July World Bank parley

During the last meeting in the French capital, donors pledged to give Kenya $850-million in aid provided the country improved its human rights record, stamped out official corruption, moved quickly to nationalise money-losing parastatals reduced the 400 000-strong civil service and ended widespread insecurity

Much of the $850-million pledged last year has not been disbursed

This is because the government continues to harass the opposition and the press

Two opposition pressure groups, the Mwangaza Trust and Clarion, have been banned and four opposition MPs are facing sedition charges for remarks considered insulting to Moi.

Late last month, security personnel raided a local firm which prints a finance magazine persistent in its criticism of government The printing machines were dismantled, sending an ominous signal that the government would not tolerate dissent

The one-day Paris donor talks scheduled for July 24 follow complaints by Germany and Denmark that the democratisation process which began with the change to pluralism in 1992 was now in jeopardy

They criticised the government's intolerance of the opposition and lack of commitment to constitutional reforms and its continued abuse of human rights.

This week, Finance Minister Mussalia Mudavadi issued a statement denying his government was backtracking on its economic policies

He said discipline in the financial system had been restored, inflation had been reduced to a single digit of below 5% and the external payments situation had been strengthened.

Mudavadi further said Kenya was fully committed to staying on course on both political and economic reforms.

But others differ

Last week, the Danish ambassador to Kenya, Henning Kjeldgaard, said what Kenya needed was an ombudsman to curb the problems of corruption and the misuse of power by the government.

"The ombudsman will protect the freedoms and rights of citizens," he said.

An economist at the University of Nairobi, Gerrishon Ikiara, accused the government of delaying the privatisation of parastatals to protect its political interests.

He said parastatals were privatised without transparency in tendering and disposal.

Since the government began implementing a structural adjustment programme in 1980, only about 30 out of 190 public enterprises have been sold, some of them to political cronies of Moi.

But the government s high-handedness in dealing with its critics, observers here say, could lead to enormous destabilisation of the country as it approaches general elections in 1997

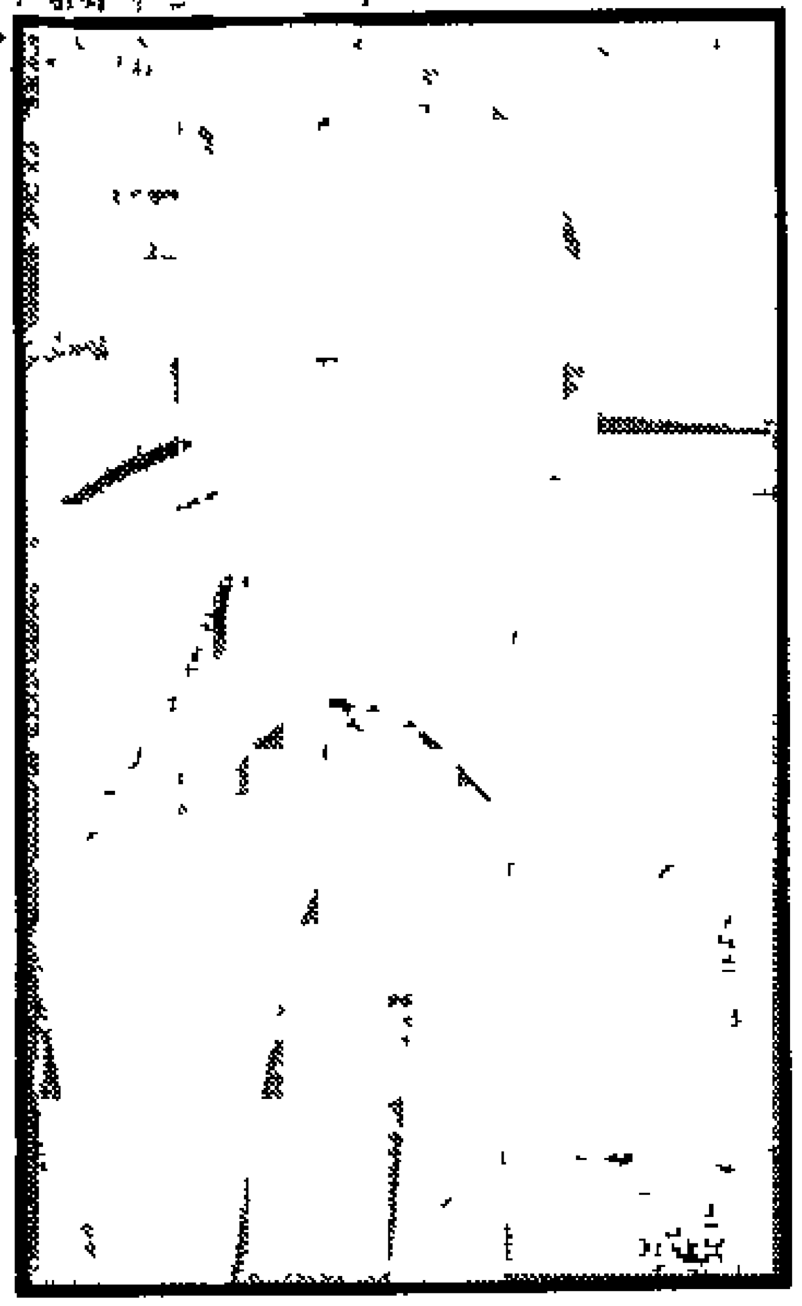
Already, some opposition leaders are calling for civil disobedience to force the government to abandon its tough stance and adhere to democratic principles

But the government so far remains unmoved

Leakey's challenge causes political panic in Kenya

ARG 15/5/95 (163)

A political challenge by conservationist Dr Richard Leakey has rocked the establishment in Kenya JOE KHAMISI of The Argus Foreign Service reports from Nairobi and assesses the impact of this move which introduces new dimensions in the country's politics



RICHARD LEAKEY . considered above corruption

KENYAN President Daniel Arap Moi has been quick off the mark to denounce the emergence of a new opposition force in Kenya led by, among others, Dr Richard Leakey, the world-renowned palaeontologist

The dramatic announcement of this move has caused panic in Kenya's political establishment where existing opposition parties are disintegrating and the ruling party, KANU, is losing mass support

For the establishment, it is not a good time for the 50-year-old conservationsist to don a political mantle and join a breed of young politicians in announcing the intention of challenging Moi in the 1997 elections

Leakey told an international press conference that the registration formalities for the yet-to-be named party were underway

"It will be a robust vehicle suitable for solving the severe socio-economic situation that now afflicts a majority of Kenyans," he said, adding that corruption had become rampant at all levels of the civil service.

Lawlessness too had reached fearful levels while police brutality had become the rule rather than the exception

"Our objective is to make Kenya a better place," he declared

But the new force has already been condemned by Moi who accused Leakey of "advancing the western world's scheme of dividing Kenyans into antagonistic groups"

Moi, said Leakey, an atheist "who publicly denounced the existence of God", would find it extremely difficult to relate to God-fearing Kenyans

The dramatic entry of Leakey into the political arena, a year and half after his acrimonious departure as director of the Kenya Wildlife Service, took many by surprise A leading mass circulation daily, the East African Standard, explained the conservationist's involvement in the new party as having "exploded like a bombshell in Kenyan political circles"

The panic caused by Leakey's entry into maintream politics is based on the fact that he is an extremely popular figure in east and southern Africa, Europe and north America, where he is a regular speaker

A second generation Kenyan, he is an astute fund-raiser and a brilliant public speaker who should find it easy to marshal foreign funding for the party He hails from the famous family of Louis and Mary Leakey, the great palaeontrologists and authors, and speaks the Kikuyu language fluently

Locally, Leakey commands considerable respect among technocrats and young intellectuals Furthermore, he is considered above corruption, a factor that will, undoubtedly, endear him to international donors who are scrutinising Kenya's record at the moment and already imposing punitive measures

Moi hits out at 'white' Leakey

ARG 17/5/95 (163)

NAIROBI. — Kenya's President Daniel arap Moi has blasted conservationist Richard Leakey as a "white man" trying to challenge the government with his call for the formation of a new political group

"White people tell us change, change, change They are urging us to have political reforms," Mr Moi told a rally at Nyeri in Kenya's mainly Kikuyu central province.

"Even Leakey, a white man, comes and tells us. 'I want to remove you (from power),'" said Mr Moi

Mr Leakey's announcement that he was associating himself with an alliance of young opposition leaders on May 7 shook Kenya's political establishment

Mr Moi's government faces criticism from Western donors, some of which have suspended aid programmes after complaining of human rights abuses and corruption

Mr Leakey who won fame with his discoveries of fossils of early man, saved Kenya's elephants during his 1990-1994 term as head of the Kenya Wildlife Service (KWS) but was ousted by a campaign led by senior ministers who last year accused him of corruption and called him a racist

It was Mr Moi's third attack on a man who was formerly a close friend — Reuter

(163)

Leakey pledges to form party despite criticism

BM 26/5/95

NAIROBI — Kenyan scientist Richard Leakey will continue with plans to form a new opposition party despite government criticism, the Daily Nation newspaper reported yesterday.

Leakey, from Kenya's small but influential white community, dismissed the attacks by officials led by President Daniel arap Moi. "I am an honest man and therefore replying to those who have soiled my name regarding the new party would be stooping too low."

Leakey's announcement on May 7 that he was allying himself with young opposition leaders shook Kenya's political establishment. Most prominent in the group is opposition MP Paul Muite.

Muite was charged in court on Wednesday with two Norwegian journalists and three others for illegally photographing police stations, visiting police stations without authorisation, obstructing a police officer and resisting arrest. The six were released on bail but face 14 years in prison if found guilty.

Moi has attacked Leakey as a white man trying to reintroduce colonialism 32 years after independence from Britain. The opposition has also criticised Leakey.

The opposition has been plagued by scandal since losing to Moi and his Kenyan African National Union three-and-a-half years ago in the first multiparty polls for 25 years. Western donors have cut aid or threatened to, because of alleged human rights abuses, corruption and backsliding on economic reforms. — Sapa-Reuter.

Nigerian banks still policy target

BM 26/5/95

ABUJA — Nigeria's finance minister Anthony Ani said this week his government had no intention of going back on plans to take a controlling stake in the country's four largest independent banks, despite international pressure.

Ani alleged that "directors, shareholders and managers" had been siphoning off funds from a number of smaller and now distressed Nigerian banks, something that could not be allowed to happen to those four banks.

In an interview with AP-Dow Jones, Ani insisted that government plans were a one-time event. He said they did not amount to nationalisation and in no way diminished government's commitment to privatise other state enterprises.

Ani said. "We are determined to continue with the privatisation policy. We are not going back."

According to recent reports, the World Bank, the US and France had put pressure on the Nigerian government to reverse its decision to take a controlling stake in the banks — United Bank for Africa (UBA), Afribank, Union Bank and First Bank — because of the damaging effect it was likely to have on frail international investment sentiment towards Nigeria.

Ani argued that the four banks were originally privatised by presidential decree in a move separate from government's privatisation programme, which was relaunched by the finance minister in the 1995 budget.

Ani said not only did the banks have international reputations and domestic depositors to protect, but government planned to transfer much of its banking business to them. He said government was concerned that the banks might fall into the hands of investors intent on siphoning off bank funds for personal gain.

Ani said the Nigerian government was planning only to acquire "golden shares" in the four banks as a prelude to a transition period in which banking supervision would be tightened. The government was undecided as to how it would acquire stakes in the banks but it would not involve expropriation.

Analysts believed the government's plans were likely to run into most troub[le] over UBA because the bank was controlled by a Nigerian consortium and foreign banks held stakes in it. Banque Nationale de Paris had a 30% stake, and an international grouping which included Bankers Trust of the US held 10%. — AP-DJ.

Rwanda force

Bottled water rip-off shocks Kenya tourists

(163) ARG 31/5/95

The Argus Foreign Service

NAIROBI — In Kenya tap water is generally considered unsafe for human consumption but a new revelation that more than 90 percent of bottled water is nothing but tap water is sending shock waves through the tourism industry

'We just cannot trust anything anymore, said a visiting Briton "Ebola is scary enough To know I have been drinking contaminated water since I came here a week ago is mind-boggling'

The shock revelation was made in a lead story in the Lonrho-owned Sunday Standard under the headline "The great bottled rip-off"

The paper revealed that out of the 74 brands available on the Kenyan market labelled as "mineral" and spring" water, only three have been passed as genuine by the Kenya Bureau of Standards (KBS)

The rest, sporting impressive labels and claims of origin, are allegedly infested with deadly bacteria that could cause anything from typhoid, dysentry and cholera to heart diseases

In similar earlier reports, the same publication tested samples of tap water from various parts of the country and found them loaded with impurities

The bottled water industry has grown rapidly during the past five years following frequent complaints about the quality of pumped water

The industry is largely patronised by wary tourists and other foreigners afraid of contracting tropical diseases away from home

A leading tour operator said the report could have adverse implications on tourism, particularly at a time when officials were battling to contain a recent report overseas that the killer Ebola virus originated in Kenya

Leakey takes off in Noah's Ark

CT 15/6/95 (163)

NAIROBI. Wildlife conservationist Dr Richard Leakey, stepping up his challenge to Kenya's ruler, has announced his new political party will be called Safina — Noah's Ark

Dr Leakey and four other activists had also intended to register the party but the paper work was not completed

"We are delaying registration by a few days but we will announce the name It is to be Safina. Safina is the Swahili word for Noah's Ark," they said

The new party is seen by diplomats and political analysts as the strongest challenge to 70-year-old President Daniel arap Moi and his ruling Kenya African National Union party since elections in 1992, the first multi-party polls in 25 years

Dr Leakey, a third generation white Kenyan and former director of the Kenya Wildlife Service, provoked a storm by announcing on May 7 he was backing a new party because of rampant corruption, human rights abuses, and official incompetence — Reuter

'Kenya must improve marketing'

ARG 1/7/95

(163)

JOE KHAMISI
Foreign Service

NAIROBI. — A South African winemaker has urged Kenya to improve its marketing strategies if it wants to attract South African visitors.

Marthinus Broodryk, the managing director of Bovlei Winery in Wellington, said there was great potential for Kenya's tourism industry in South Africa

"With proper marketing of Kenya in South Africa, I can assure you that South Africans will flood this country," he said in Nairobi recently.

He noted that although South Africa had parks and other attractions, most South African towns were dominated by skyscrapers and were not appealing to tourists.

Marketing though, was the big challenge for the east African nation

Outside South Africa, he said, only Botswana, Madagascar, Zimbabwe and Mauritius were really known to South Africans

The winemaker, in Kenya for a winetasting event, also took issue with reports in the international press that crime was rampant in the capital, Nairobi.

A Kenya government official announced this week that several hotels along its popular north coast resort strip were forced to close down temporarily in April due to adverse press reports abroad.

The hotels, expected to re-open next month, are patronised mainly by Italians.

Recently, Italian television and press reports claimed the killer Ebola virus which caused hundreds of deaths in Zaire originated in Kenya.

The reports were denied by Kenyan authorities.

Kenya keeps a clamp on private TV broadcasting

(163) ARG 11/7/95

JOE KHAMISI
Foreign Service

NAIROBI — With full liberalisation of the airwaves in Uganda and Tanzania, Kenya now remains the only country in East Africa that continues to cling to state-owned propaganda organs

Private broadcasting stations are banned and attempts by potential investors in this sector have been thwarted by a government fearful of independent opinion

A task-force appointed last year to look into the licensing of private stations remains deadlocked, reportedly over issues of ethics

Sources say government representatives in the task force want to see provisions included in the recommendations that would limit editorial freedom

But the body, composed of editors, among them critics of the establishment, want carte blanche, allowing broadcasters full freedom to comment and criticise

In any case, the government has already pre-empted the recommendations of the task force by categorically stating it would not abide by its decisions

"We are not in a position to license any in the near future, even if the press review committee recommends the liberalisation ..," an official document reads

Authorities fear the 60 or so groups and individuals who have applied for broadcasting licences may use the facilities to vilify the government

At least two firms have sued the government over the licensing issue

One of them, Royal Media Services, recently announced plans to set a regional television and radio network across the border in the northern Tanzanian town of Arusha

Six Tanzanian businessmen have joined Kenya's SK Macharia in the Arusha venture which will operate under the name Kilimanjaro Radio and Television Network

Similar facilities will be established in Uganda and in Kenya once the airwaves are opened, they say

The Arusha operation is expected to go on the air "within months", according to its managing director, Kenyan Karanja Njoroge.

"We are in this business purely to make profit We are not interested in any political ends," Mr. Njoroge said recently, in an apparent reply to goverment fears

While Kenya dilly-dallies over the issue, its neighbours Uganda and Tanzania have made giant strides in the electonic media

Uganda has four television stations, among them the recently inaugurated South African-controlled M-Net channel

The channel operates under the corporate name Multichoice Uganda

Owned as a joint venture with Uganda's stem cable, it is the first pay channel in the country, covering a radius of 30 km from Kampala

On the other hand, Tanzania has three privately owned television stations and two private radio stations

The owner of the Independent Television (ITV), media magnate Reginald Mengi, says his company would go national by Tanzania's first mult-party elections in October

In contrast, Kenyan television viewers and radio listeners have limited choice

The Kenya broadcasting corporation (KBC), a government parastatal, runs both television and radio stations

The only other television station, KTN Channel 62, is owned by the ruling party, Kanu

Opposition news is routinely given a black-out except for items that show disunity within opposition ranks

Last week, the government announced plans for the launching of a second television channel to be run jointly between KBC and South Africa's Multichoice

The move has led to criticism of the government for letting in a foreign media company while denying licences to local participants

But at a recent press conference, Information and Broadcasting Minister, Johnstone Makau, said KBC did not require an additional licence to operate the channel

However, with a majority of Kenyans unable to buy a television set, let alone pay for services, it is unlikely the new channel will attract countrywide support

An earlier attempt by KTN to promote a pay service failed

Where greed and corruption slaughter the golden goose

(163) Star 4/7/95

KENYA is a land of contrasts between great wealth and stunning poverty. Corruption seeps through society's fabric and infrastructure falls apart, as Norman Chandler found during a recent visit to the decaying heart of east Africa.

The skyscrapers, some of 28 storeys, soar majestically into the blue African sky, rivalling the skylines of Johannesburg or the great American or Asian cities

But this city is none of those — it is Nairobi, vibrant capital of Kenya, and regarded as the economic, industrial and commercial hub of East Africa.

Kenya, the coast of which is said by historians to have been the fabled land of Sinbad the Sailor and of Ali Baba and the 40 Thieves, is a country which has dominated the east and central African economic scene for years, and, in the process, has been held up by many as a model of racial tolerance, development, expertise and tranquillity

But one has to look below the surface to discover what makes the real Kenya tick, and this is, sadly, a far cry from the tourist haunts of Mount Kenya, the Rift Valley, the Masai Mara, the superb game parks, and the super-white beaches of Diani, Mombasa and Malindi

The banking halls of Nairobi and her sister coastal city of Mombasa house the wealth of the land, tragically, the potholed pavements house the poorest of the poor, their existence based on handouts

Kenya is a nation of amazing wealth amassed by those who have attained the trappings of power and all that goes with it, and, conversely, a nation of amazing poverty for those who have nothing but the clothes they wear

"There are more Mercs here than tractors, and that in a country which is 98% agricultural," was the bitter rejoinder from a Kenyan businessman to a question about the industrial might of the country

It is quite astonishing to experience this divide, particularly as all Kenyans have apparently had the same opportunities of a good education, especially in the English language which is spoken with great fluency and aplomb

In the ghettoes of Nairobi and Mombasa, education and opportunity are laughed about with all the bitterness at the command of the local people quaffing their Tusker or White Cap beers.

But, interestingly enough, there is no conspiratorial whispering about the State of the Nation, as one would have thought in a country which for 30 years was strapped into a one-party mindset Instead, people are outspoken in their criticism of the government and its policies

Opposition leaders even call for mass civil disobedience (the call is broadcast on local television and published in newspapers) in order to push the government towards even greater reforms than may have been the case up to now The reforms so far have centred on lifting exchange controls, making investment more palatable to Western or Asian entrepeneurs, and freeing-up local industry in general.

Today, Kenya is fumbling through a third year of multiparty democracy while, at the same time, unashamedly holding out the begging bowl to donor nations who are getting angrier by the day because they perceive that the government has not quickened the process of economic liberalisation.

Surprisingly, however, President Daniel arap Moi has told donor nations "We don't need your money"

His statement made banner headlines in the local newspapers and sent shock waves through a country crying out for investment

This attitude has driven key donors — Denmark, the Netherlands, the United States, Germany and Britain among them — into a frenzy of outrage because they, probably correctly, believe their money should be going towards the upliftment of the country

This month, the Paris Club, the donor nations acting for Kenya, will be holding an emergency meeting in France to somehow get the Kenyan government to realise the folly of their ways. Judging from what the local newspapers are reporting, this will be a tough assignment

In hotels, pubs, clubs and offices the finger is pointed to numerous instances of how heavy-handed officialdom or opportunistic officials have used their powers to ride rough-shod over not only the less fortunate but even representatives of foreign governments

Kenya is a country where opposition members of parliament are regularly harassed, where respected international conservationist Dr Richard Leakey has been called every name under the sun for daring to align himself with opposition politics, where diplomatic immunity is violated (the United States ambassador was recently arrested by Kenyan police while en route to an opposition meeting in the rural areas), and the freedom of the press is tampered with at every opportunity

Corruption is rampant — confirmation of this came from many quarters, including the legal profession, bankers, government officials and the tourism industry — and there is genuine anger from locals towards Asians, in particular Indians, Koreans and Chinese who are perceived, rightly or wrongly, by the rank-and-file as having had a hand in these nefarious practices

Everywhere one goes there is only one question — after the inevitable one about South Africa and its democratic future — on everyone's lips How long before change comes in Kenya?

"Change" to a Kenyan — whether Maasai tribesman, Kikuyu, Asian or European whose family has lived in the country for two or three generations — means a change in government, a change in lifestyle, a chance to change for the better

Moi, who took over when the so-called "father of the nation", Jomo Kenyatta, died in 1978, would appear to have a tough mountain to climb if his Kenyan African National Union (Kanu) party is to remain in power after the next elections, scheduled for about two years time

All around him he can see a dramatic drop in living standards, partly caused by the devaluation of the Kenya shilling earlier this year, and then its possible fatal linking to the see-sawing US dollar, and the impossible living conditions of the ordinary people

Ramshackle homes dominate the Nairobi slums, the only word for the ghettoes which ring the city, a contrast to some of the superb residences in the Muthaiga and Karen suburbs of the city which are recognised in Kenya as being the *creme de la creme* of residential areas

There is, as is the case in many other parts of Africa, little attempt by government to provide basic hygiene standards such as waterborne sewerage, fresh water, or rubbish collection for the estimated 1-million people of the Nairobi slums

Officially, the city's population is 950 000, unofficially it is nudging 2-million and rising as population control is all but non-existent Great efforts are being made however to contain AIDS

In Nairobi's CBD, roads and pavements are in a state of shambles but in Mombasa there appears to be a more determined effort to keep the city in a reasonable state of repair, probably because of the hordes of German, Italian and British tourists who every year sun themselves on the whitest beaches imaginable

More damage to the infrastructure is done each year when the rains come in April/May and in October/November, but repair work is seldom undertaken in Nairobi, for instance, because the local city council is in a state of disarray (The government stepped in two years ago to try to sort out the capital's problems by establishing a task force to run the city.)

The Nairobi-Mombasa highway, a 500km stretch of road which is repaired only when money becomes avilable and has "alternative routes" running in parallel — tracks which are carved through the bushlands by giant transporters, 4-wheel drive vehicles and the infamous matutas buses

In general, the standard of driving is unbelievable and the niceties of motoring, such as giving way to the right, is non-existent

In mind-boggling fashion, motorists also make their own "roads" at rush hour in both Mombasa and Nairobi, in the process putting life and limb at risk not only of themselves but also pedestrians

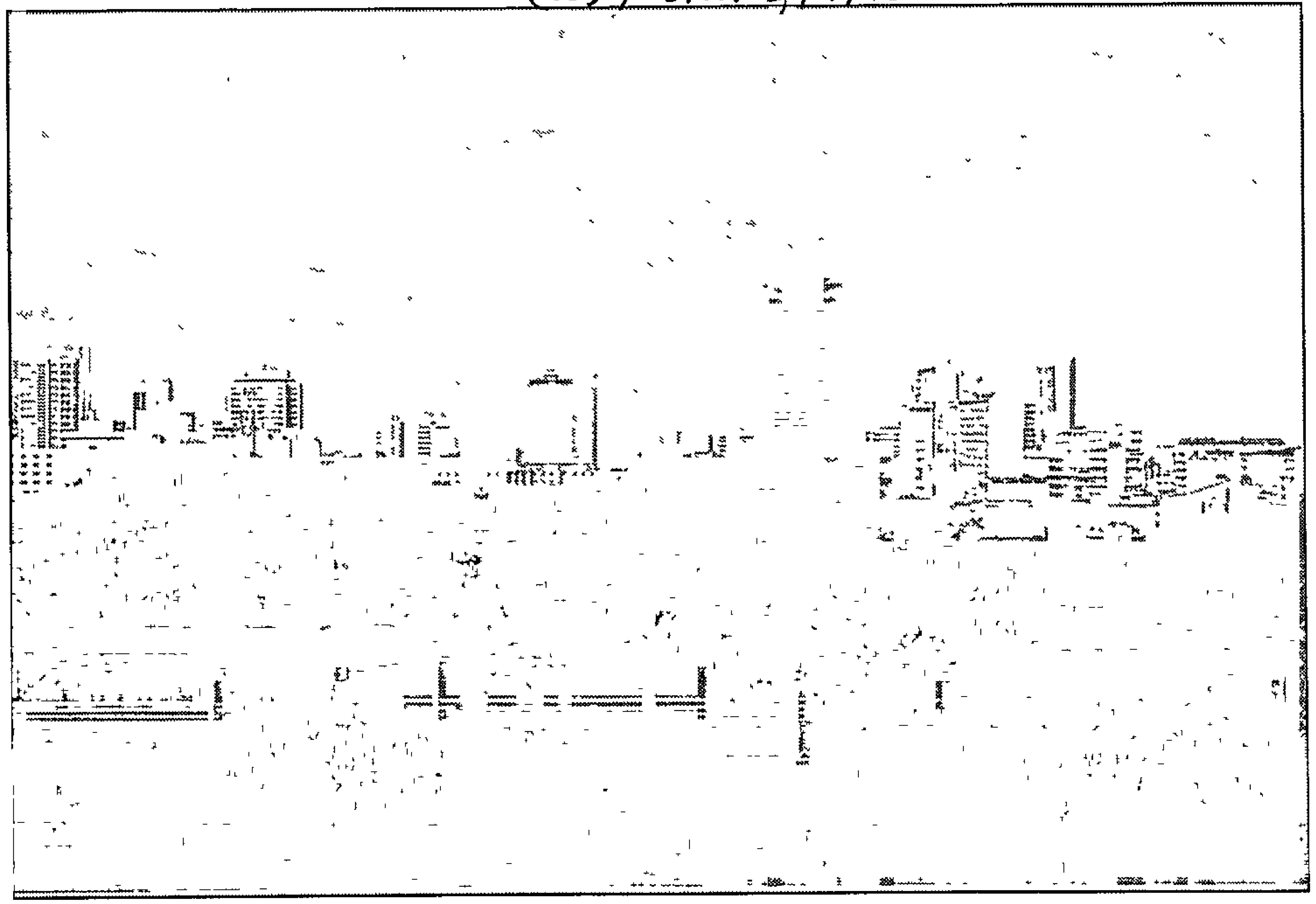
The outer ring road — road signs describe it as "Outering Road" — in Nairobi is a classic example of lack of money (local people regard this lack as the transfer of wealth from donors to officials and to hell with the rest of the population) and bureaucratic bungling by city planners

At rush hour, this road sports three lanes of traffic — one on the correct side, the other going the same way but on the opposite side of the solid white line, and the third on what passes for the pavement

It is little wonder that there are more body repair shops in Kenya's slums than any other business activity except for funeral parlours

Aesop's fable about the goose which laid the golden eggs could perhaps sum up the Kenya of today

The goose that is Kenya, a jewel of a land, is slowly but surely being reduced to a shadow of what it should be unless change comes quickly and non-violently



City of contrasts . . . Nairobi, capital of Kenya, where soaring skyscrapers, banking halls and international hotels go hand in hand with potholed pavements and ghettoes for the poor.

THE PEOPLE'S BEER: A worker stacks empty beer bottles outside a restaurant in Beijing this week. Beer consumption in the People's Republic has grown 20% a year over the past decade, making China the world's second biggest consumer of beer in the world, after the US. Shenyang Brewery, China's second largest brewer, in which SA Breweries acquired a 25% stake last year, has the capacity to produce 2,5-million hectolitres a year of Snowflake, one of China's biggest selling brands. Picture: AP

Kenya renews its stock market revival

(163) ST (BT) 9/7/95

By MICHELA WRONG

KENYA'S financial sector is hoping that Finance Minister Musalia Mudavadi's latest Budget will give a much-needed boost to the country's stock exchange, which has failed to realise its early promise.

The measures unveiled last month, which ranged from raising the ceiling on foreign investment in Kenya's portfolios to a promise to speed up privatisation, were an implicit acknowledgement that the Nairobi Stock Exchange has proved to be a disappointment since opening to foreign investment in January.

When it was announced that the barriers were coming down as part of Kenya's economic reform programme, excitement ran so high that the share index surged to 4 559,40 on the last trading day of 1994, from 3 556,29 a fortnight before. Local investors snapped up blue-chip shares, positioning themselves ahead of the expected surge from abroad.

It never materialised. Six months on, domestic trading is booming as increasingly sophisticated local investors learn the joys of speculation, with turnover up from 378-million shillings (R25-million) in 1992 to 3-billion shillings in 1994.

However, foreign investment to date accounts for net inflows of only $2,3-million in a market capitalised at $3,3-billion. The index has fallen back to the more rational level of 3 495 and share prices have dropped 30%.

The strength of the shilling, trading in the low 40s against the dollar for the first four months of the year, made investing expensive in dollar terms and whittled away at the profits of many of the blue-chip companies on offer.

The speculative surge in prices before the liberalisation of the market also meant shares were over-priced, with a price:earnings ratio of close to 12:1.

A big disincentive was also the ban on foreign investment in local subsidiaries of foreign-controlled companies, aimed at encouraging input into Kenyan companies. Those 16 foreign-controlled companies account for 74% of market capitalisation, so the number of shares available shrank dramatically.

Now Mr Mudavadi's Budget has brushed away some of the cobwebs. Foreign investors can buy up to 40% in a Kenyan portfolio and brokers' commissions have been slashed. The introduction of a central depository system, scheduled for the end of the year, should speed up clearing and settlement.

But the ultimate success of the NSE now depends on two things: whether the government decides to lift the ban on investment from abroad in foreign-controlled companies and how rapidly it starts floating state enterprises.

So far only 61 of the smaller and less attractive public companies have been sold off and 146 more are slated for sale. In his Budget Mr Mudavadi promised a third of the remainder, including the national carrier Kenya Airways, would be privatised over the year.

But the pledge failed to convince many analysts who note chronic foot-dragging on the privatisation issue, epitomised by delays in filling the post of chief executive on the parastatal reform committee.

"The state has never been truly committed to privatisation," says one market player. — Financial Times

CT(BR) 11/7/95 (163)

Kenya baffled at exclusion from US trade initiative

By Joe Khamisi

INDEPENDENT FOREIGN SERVICE

Nairobi — Kenya's exclusion from a group of 15 sub-Saharan countries targeted by the Clinton administration for increased trade with the United States is causing concern within the government of President Daniel Arap Moi

Last month, the United States released an initial list of a selected group of African countries that were to benefit from American trade legislation arising from the World Trade Organisation

The legislation empowered United States government agencies to consult a private-sector advisory council to devise ways of increasing trade with the sub-Saharan region

The aim was to enable the selected countries to take full advantage of a system of allowances in terms of which certain exports from developing countries could enter the United States duty free

The legislation also paved the way for bilateral tax and investment agreements with some of the countries

Sources said preliminary talks on such treaties had already started with South Africa and similar discussions were to begin soon with Zimbabwe.

Among sub-Saharan countries on the list were Kenya's neighbours Uganda and Tanzania as well as Ghana, the Ivory Coast and Gabon

While Uganda was reportedly chosen because of its sterling economic performance, Tanzania was said to have been singled out because of its membership in the Southern African Development Community

Nairobi officials claimed to be baffled at Kenya's exclusion

"Our efforts in economic liberalisation are as good as those in any of the 15 countries," one treasury official said

"Yet no one wants to tell us specifically where we have gone wrong"

Observers here speculated that the United States move was taken to show its disapproval of recent political and economic events in the country

The United States was said to be particularly angry at an event earlier this year when the American ambassador to Kenya, Aurelia Brazeal, was harassed by police while travelling from Nairobi

Clash

During that incident she was held up for several hours at a police station on suspicion that she was accompanying opposition politicians on a visit to victims of a tribal clash

Brazeal has neither confirmed nor denied the trade plan report She only expressed hope that "Kenya's excellent economic reforms" would continue

Although American financial assistance to Kenya was minimal compared to that of Japan and European countries, Washington was one of the most vocal critics of political and economic mismanagement in the country, and the latest step was seen as further isolating Kenya

Later this month, Kenyan officials would go before an extraordinary donors' meeting in Paris to answer a series of questions regarding the country's commitment to basic reforms

The United States-Africa trade plan was expected to be operational next year

Envoys in the line of Moi's fire

(163) ARG 21/7/95

President Daniel arap Moi is fuming, writes JOE KHAMISI of The Argus Foreign Service. He accuses foreign diplomats of sowing seeds of division and has warned them to stop meddling in domestic affairs.

PRESIDENT Daniel arap Moi of Kenya has gone on the offensive against foreign diplomats

In public condemnations that have baffled even his closest international allies, Moi warned that Kenya was no longer a colony and would not tolerate interference from envoys who roamed the country "sowing seeds of division and violence"

During the past six months, two Rwandan diplomats have been expelled, the Australian High Commissioner was summonsed for a tongue-lashing and the American and German ambassadors reprimanded for their frequent criticism of the government

Mr Moi also recalled his high commissioner from Canberra after accusing the Australian high commissioner in Nairobi of allegedly making offensive comments

Earlier this year, a verbal confrontation ensued between mr Moi and the Italian envoy following accusations that members of the Italian community were working in cahoots with the opposition to destabilise the government

Mr Moi has not hidden his indifference towards foreign diplomats since they began to agitate for pluralism five years ago

The earliest casualty was the Norwegian ambassador Neils Dahl who was expelled in 1990

Kenya followed the expulsion order by severing diplomatic relations with Norway, accusing the Scandinavian country of "unbecoming interference in Kenya's internal affairs'

Norway had come out forcefully in defence of a former parliamentarian, Kiogi wa Wamwere, who was in court on a treason charge

Later, Mr Moi expanded his onslaught to include envoys from the US, Britain and Germany

After pluralism was attained in 1992 and the first multiparty elections in 26 years held, foreign envoys turned their attention to what they saw as a lack of transparency and accountability

They publicly attacked the country's human rights record, condemned corruption in government, campaigned for improved press freedom and slighted the government for its inability to improve its people's standard of living

Two years ago, the envoys successfully convinced their governments and other donors to withhold balance of payments' support to Kenya amounting to $350 million (about R1,2-bn)

The latest confrontation began earlier this year when envoys from Britain, the US and Denmark made separate remarks to the effect that future assistance would be linked to political and economic reforms

Recently, the German, American and Japanese envoys called on the government to hold talks with the opposition as a way of avoiding a Rwanda-type scenario

The entry into opposition politics by conservationist Dr Richard Leakey and his much-publicised "secret" meeting with foreign diplomats got Mr Moi fuming

He accused the envoys of sympathising with the opposition

"I do not want diplomats to be spokesmen of opposition parties," an angry Mr Moi said recently, "otherwise we will conclude that these parties are foreign-backed"

But diplomats see their frequent comments on Kenya as a positive contribution towards good governance

"If Kenya wakes up one day to find acid rain caused by burning of toxic substances in a neighbouring country, would anyone commenting on that be interfering in internal affairs?" the Japanese Ambassador Shinsuke Horiuchi asked last week

Dr Horiuchi said envoys were not meddling in the country's interal affairs but merely expressing opinions

But the frequency of the confrontations raise important questions about the conduct of Kenya's foreign policy

The attacks on envoys have, by and large, been made by Mr Moi at public rallies wihout regard to established diplomatic norms

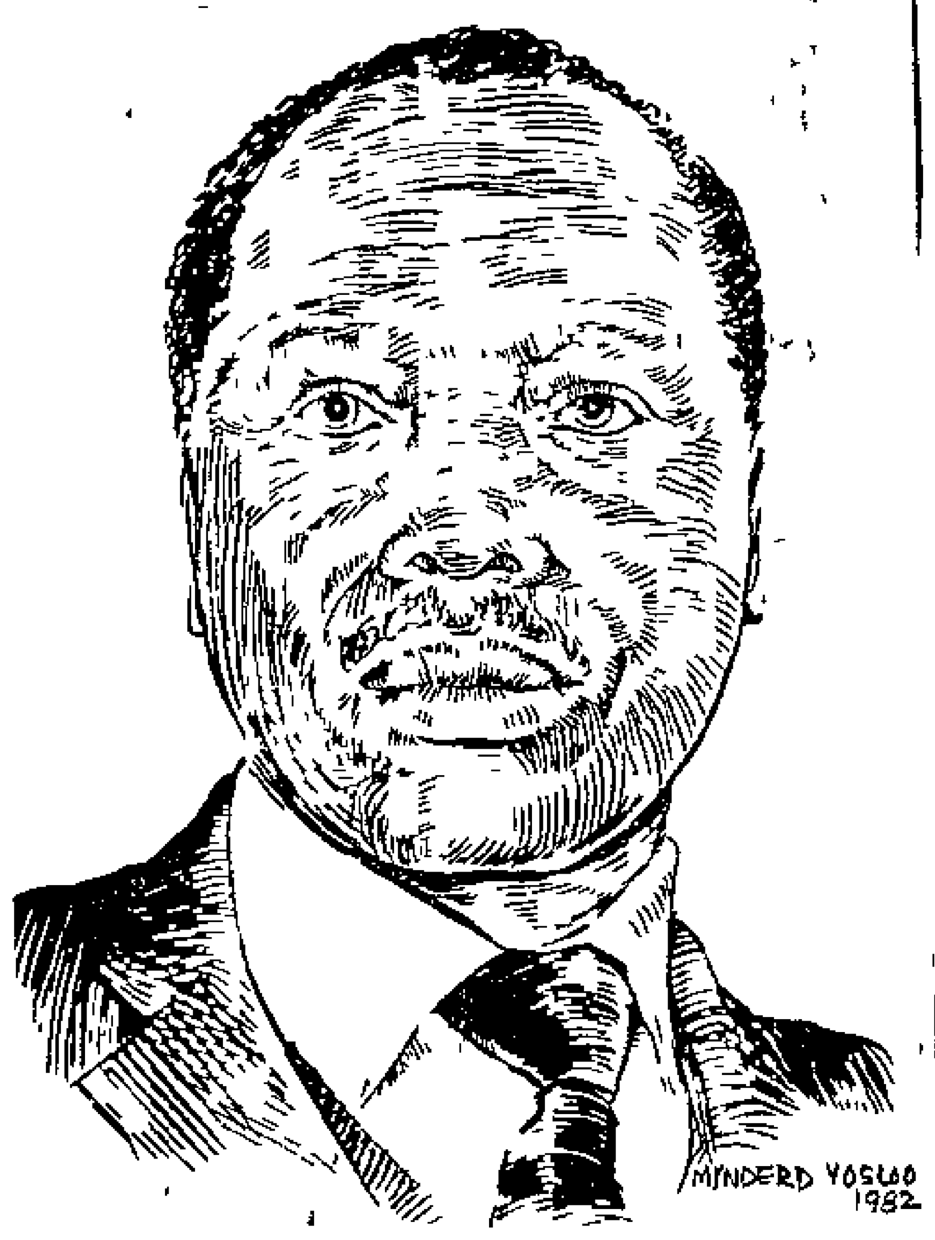
Foreign diplomats based in Kenya, it appears, are no longer summonsed to the foreign ministry to be given protest notes

They are publicly humiliated and abused

When Mr Moi was angered by the Australian High Commissioner, Lawry Herron, last month, the Kenyan leader went overboard

"Why don't they (Australians) mind the welfare of Aborigines? All they do is give them tobacco with high nicotine content to ruin them"

All Mr Herron did was to ask Kenyan youths to take an active part in the forthcoming constitutional changes



Daniel arap Moi

Energy crisis looms over Kenyan growth

CT(BA) 24/7/95 (163)

Joe Khamisi
INDEPENDENT FOREIGN SERVICE

Nairobi — Kenya will face a major energy crisis within two years unless it can do something about the country's power shortage, experts say

The situation is so serious that anyone thinking of investing in the country is advised to include a standby power generating facility in their cost projections

Last week, energy experts drawn from the private sector met in Nairobi and painted a gloomy picture of a problem said to be getting worse due to a lack of funding

The national energy shortage has worsened since 1992 when donors suspended funding, citing mismanagement and lack of transparency and accountability in the sector

A total of $100 million in World Bank aid has been put on hold Bank officials said proposals for a World Bank project to increase geothermal output will be presented to the board in Washington DC before the end of the year

Japan, which had shown interest in a 60MW hydroelectric project in western Kenya, has yet to commit the funds Sources said Japan is unhappy about the country's economic reform pledges

Infrastructure

The World Bank estimates that at least $1,1 billion will be needed over the next five years for energy infrastructure About $800 million of that is for power generation However, sources said only an eighth of the total amount has so far been firmly committed

But experts say even if the money was made available this year, it takes at least three years to study, develop, construct and install a power station

In the meantime, the demand for energy would increase Kenya's peak time demand for energy amounts to 754MW, but the country's under-developed infrastructure is able to produce only 595MW, a shortfall of 159MW It is expected this shortfall will double in 1997/98 to 271MW, rising to 399MW in times of drought

Frequent power shutdowns during the past few years have driven hospitals and industry to install back-up systems Important industries such as cement production, paper milling and tourism are said to be incurring heavy losses because of power shortages

"With continuing economic growth, there will be more demand for power," said one expert. "In the event of a major drought, the country could experience power and energy shortages as high as 30 percent of total national demand"

Kenya has often blamed drought for the intermittent power shutdowns What is not said is that a lot of plant equipment was either not working, or in various stages of disrepair

The government-owned Kenya Power and Lighting Company and related parastatals are known to be corrupt and rife with nepotism. Out of 10 000 employees, only 37 are technical staff. The rest are mostly administrative personnel brought in by politicians and other influential personalities

Non-payment

The company is also said to be losing a lot of money each year through non-payment of bills by government departments, and through under-billing

Kenya, whose GDP growth rate jumped from zero to 3 percent last year, expected to maintain a 5 percent growth rate to the end of the century Experts now doubt this will be possible without new investments in the energy sector

Kenya bows to donor pressure

ARG 26/7/95 (163)

PARIS. — Kenya's donors, under pressure from human rights groups, have won agreement from Nairobi to set up a new forum to vent concerns over the country's record, officials said.

Widespread fears that Kenya's human rights record is worsening were the main focus of a meeting of rich countries and international institutions under the auspices of the World Bank in Paris, to the displeasure of the Kenyan delegation

But the informal meeting, designed to take stock of Kenya's progress since $US-800 million (R2,8-bn) in aid was pledged in December, stopped short of linking future aid to the government's record as human rights groups had demanded

In a reference to non-economic issues, Kenyan Finance Minister Musalia Mudavadi told a news conference· "We should not be having exchanges between donors and the government that are not carefully guided

"These could send misleading signals There should be greater consultation at a local level, on a basis of mutual trust and diplomatic etiquette"

James Adams, eastern Africa head for the World Bank, said a new system would be worked out to enable donor nations to tackle the government solely on non-economic issues, including human rights

"The government's concern is to enable non-economic issues to be fully discussed and vetted and to get donors fully involved. We are going to go back to Nairobi and meet and set up a mechanism," he said

Amnesty International accused Kenya of repeatedly violating human rights, especially those of women.

The New York-based Human Rights Watch Africa has urged donors to link future non-humanitarian aid to improvements in Kenya's record

Asked about the charges of human rights violations, Mr Mudavadi answered· "We would like these allegations to be as specific as possible When you go into the merits of each individual case, the truth is often very different."

Donors' worries include stamping out widespread corruption, harassment of the opposition, the Press and non-governmental organisations and a need for civil service and constitutional reform

Mr Adams said another freeze on aid to Kenya, like one instituted for six months in 1992 because of concern about human rights and other issues, was not on the agenda.

Although donors had hailed Kenya for its economic progress, he cautioned: "The consultations will not be about linkage specifically but about the willingness of certain governments to put projects on the table."

Seeking to deflect criticism, Kenyan President Daniel arap Moi announced that his government would form a committee on human rights but did not say when or who would serve on it — Reuter.

Kenyan lead-free fuel plant up for auction

(163) CT (MR) 27/7/95

By Joe Khamisi

Independent Foreign Service

Nairobi — Kenya's dreams of producing lead-free petrol will vanish at the end of the month when a multimillion dollar molasses manufacturing plant is auctioned to cover debts owed to a Swiss bank.

The Kisumo molasses plant, situated 6 km from the Victoria Lake town of Kisumo, will go under the auctioneer's hammer without having produced a single drop of power since it was erected in 1976

The plant joins a growing list of ill-fated government-financed projects that have collapsed due to government bungling, corruption and indecision on the part of planners

The factory was meant to produce power alcohol and other fuels for local and international consumption That was the dream, but today rusted heavy-duty vehicles and other equipment are strewn all over the factory due to years of neglect.

In 1976, the Kenyan government obtained loans amounting, at the time, to $8 million from the Union Bank of Switzerland and the Process Engineering Company of Switzerland

Buildings were erected and machinery acquired But, as press reports later revealed, tenders and construction costs were inflated to accommodate kickbacks for government officials.

In the end, the plant was found to be unviable Officials blamed unreliable supplies of the raw materials from sugar plantations, and high operating costs

For 19 years politicians and bureaucrats have been wrangling over the plant, located in a province of the country which finds itself heavily in the disfavour of the government and the ruling KANU party

Earlier this month the government finally sounded the death knell. It announced in parliament that an auction would be held on July 31 to sell off the plant's assets to the highest bidder

"We do not care whether (the buyer) is a Kenyan or not What we are interested in is to sell to the highest bidder," said one Kenyan official

Most of the money realised will go towards paying local claims — including that of the town council which is owed $7 million in rates. The government will then have to find money to repay the Swiss creditors at the rate of more than $5 million annually for the next seven years

The molasses plant is one of several white elephant projects conceived by the government over the years. Kenya could be producing its own polyester clothing fabrics if the fibre corporation complex in Nanyuki west of Nairobi had not gone the same way as the molasses plant.

The same fate befell a huge vegetable oil project which was to manufacture refined oil from imported soya beans The project seems to be another non-starter, only five years after the agreements were signed.

Kenya denies plan for forum on abuses

CT 27/7/95 (163)

NAIROBI: Kenya denied yesterday it would set up a forum with donors to follow up claims of human rights violations, saying these were an internal affair

Foreign Minister Mr Kalonzo Musyoka was reacting after reports from Paris said donors on Monday had won agreement from Nairobi to set up a forum to vent concerns at Kenya's human rights record

"There was no question of forming a forum to follow up on human rights issues," Mr Musyoka told foreign journalists

"Our friends may express concern (at internal developments), but we will tell them these are Kenyan issues and we will deal with them," he added.

In a statement after the Paris talks, the World Bank said the government reacted to donor concerns on issues such as the freedom of association, independence of the judiciary and the need for wide consultation on constitutional and legal reform.

"The government expressed its interest in establishing improved mechanisms to facilitate effective communications with the donor community, particularly in Nairobi," the World Bank said

President Daniel arap Moi announced the formation of a committee on human rights on Saturday, the same day human rights organisations complained Kenya's record was worsening

The Paris meeting between Kenyan officials and donors did not link aid to the government's human rights record — Reuter

New Kenyan party threatened by government

3 (763)

Sowetan 28/7/95

NAIROBI — A new Kenyan political party has accused police of forging a document being used by the government to threaten it with a crackdown

Cabinet secretary Philip Mbithi said on state radio that the as yet unregistered Safina party, founded by white conservationist Mr Richard Leakey and opposition politicians, was distributing a "clandestine document" calling for civil disobedience and anarchy and that the party planned to supply students with "ample drugs, intoxicants and cash"

"The government will deal with any agents of doom firmly and decisively," he said

Mr Kiraitu Murungi, a founding member of the party, said he believed police had forged the document and accused the government of embarking on a "campaign of disinformation to scare people away and create an excuse to refuse the party registration"

"We know there is a unit in the special branch which manufactures propaganda," he said.

A facsimile of what was purported to be a letter of support for Safina from the American racist organisation the Ku Klux Klan published last month in the *Kenya Times*, organ of the ruling Kenya African National Union is generally regarded as an obvious forgery, studded with British spellings used in Kenya, poor English, and at least one "Kenyanism" Its true authorship has not been disclosed

Yesterday's edition of the *Kenya Times* reports that the new document calls for demonstrations from August 1.

It maintains, despite publishing a denial by a Safina official, that "impeccable sources in Safina party confirmed the documents were the work of Safina members" — *Sapa-AFP*

Leakey's party accused of plotting subversion

(163)

CT 28/7/95

NAIROBI: Kenya's government has accused conservationist Dr Richard Leakey's party of plotting a nationwide campaign of subversion and anarchy

Cabinet secretary Mr Philip Mbithi, also head of Kenya's civil service, said this week the plot by the Safina (Ark) party, with Dr Leakey as its secretary-general, was in a clandestine paper which called for civil disobedience endangering the country

But Safina chairman Mr Muturi Kigano yesterday dismissed the government's accusations as "a gimmick that is complete rubbish and is only a prelude to further possible acts of repression"

Safina's campaign for more democracy and less corruption has unnerved the Kenyan government and President Daniel arap Moi has repeatedly accusing Dr Leakey of being a racist and colonialist and vowed he will never be allowed to become a political leader

"The government views with grave concern the declaration of a plan to launch a campaign of civil disobedience and anarchy in the country — tantamount to endangering the existing stability in the social, political and economic fabric," Mr Mbithi said

Unrest

"The government will discharge its responsibility to protect and defend life and property by dealing with any agents of doom firmly and decisively," he warned

Mr Mbithi cited possible illegal actions such as fomenting civil unrest organised by underground co-ordinators, promotion of student unrest at universities and a crippling of public transport through intimidation or blackmail of minibus owners

"As part of this incitement strategy, students are to be supplied with ample drugs, intoxicants and cash inducements to win public support and to cause disaffection against the Kenyan government," said Mr Mbithi

Nairobi University students protested on Tuesday against government plans to raise fees

Chief opposition leader Mr Michael Wamalwa told parliament on Wednesday police fractured the skulls of six and broke the legs of four students — Reuter

Britain freezes aid to Kenya

ET 31/7/95 (163)

NAIROBI: Britain has frozen its aid to Kenya because of concerns over the political and human rights record of that government.

Overseas minister Baroness Lynda Chalker, who is on a four-day visit to Kenya, said this weekend £4 million (about R23,16m) of the £15m (about R86,85m) pledged in December had been sent.

The rest would not be given without political progress

Kenya – foreign pressure an insult

(163) WM 11-17/8/95

Chris McGreal in Nairobi

KENYA is reassessing its commitment to political and economic reform because of the "contemptuous" and "hostile" behaviour of the British Overseas Development Minister, Lynda Chalker, on her recent visit to Nairobi.

A statement from the president's offices accused Chalker of a breach of diplomatic etiquette for holding a press conference to announce Britain's withholding of direct aid before she met President Daniel arap Moi.

"The Kenya government views this behaviour as impolite and contemptuous and likely to hurt the relations between the two countries Baroness Chalker's hostile attitude towards Kenya found eloquent expression in this diplomatic blunder," the statement said

Moi went further, scorning Chalker as "just a woman", and telling farmers she had the attitude of a kindergarten headmistress But his real concern was not so much diplomatic niceties as Chalker's open attack on political repression, harassment of the press, show trials and corruption

Rebuffing the British high commission's attempts to backtrack on her statement, the Kenyan government warned that if its reforms were criticised it would reassess the limited political changes and economic liberalisation it has adopted under pressure from international donors

Kenya also issued a veiled warning, saying British business had profited from Kenya, pointing out that Barclays Bank made £4-million last year.

Some Kenyan opposition politicians have welcomed the suspension of direct aid, terming it of dubious benefit to the majority of Kenyans

While funds aimed at specific projects are unaffected and mostly welcomed — even if there are questions about the effect of Britain's police

Kenya's Daniel arap Moi: British aid minister is "just a woman"

training programme on Kenya's notoriously brutal force — much of the £11-million of frozen aid was destined for the Moi administration's coffers

In effect, it helped subsidise a web of political patronage and graft by enabling the government to release funds for projects such as the construction of a £62-million airport in Moi's home town, Eldoret — neither a tourist destination nor an economic centre — *The Guardian*

CT (BR) 18/8/95 (163)

Central bank confuses Kenyan banking

By Joe Khamisi
INDEPENDENT FOREIGN SERVICE

Nairobi — The recent decision by the Central Bank of Kenya to increase discount rates in treasury bills has created confusion in the country's banking industry and triggered a sharp rise in commercial bank base-lending rates

The central bank intervened, accusing some banks of manipulating the exchange rate by creating an artificial shortage of foreign currency to increase their margins

Micah Cheserem, the governor of the central bank, said no major economic fundamentals were at work to justify the shilling's rapid loss Soon after the statement, the shilling began to appreciate steadily and appeared to have settled at about 55 Kenyan shillings to the dollar

Several central bank discount rates were increased between 6,5 and 10,5 percent on August 3 For 30-day treasury bills, the rate went up 3,5 percentage points while the rate for 90-day tenure rose from 18,50 to 19 percent

The central bank's decision has prompted some leading banks to increase their base-lending rates, including Standard Chartered and Barclays, with the former raising the level from 18 to 26 percent South Africa's Stanbic Bank increased its lending rates marginally, from 21 to 22 percent

Apart from the government-linked Kenya Commercial Bank and the National Bank of Kenya, other private banks either increased their rates slightly or said they were studying the situation and might follow suit

Officials at the central bank insisted the increase by commercial banks was unjustified They explained the move affected only short-dated treasury bills and was meant to be a temporary measure until the money supply situation improved The bank noted with concern that treasury bill holdings had been falling while currency and deposit holdings had increased

While analysts agree that the central bank's move was a short-term measure to keep interest rates high and liquidity low, some experts are worried that the tendency to maintain high commercial bank base-lending rates could slow economic growth and erode consumer confidence

Kenya leads the way for African airlines

(163) Star 21/8/95

■ BY AUDREY D'ANGELO

The success of Kenya Airways — which has turned its losses into a profit of about $14 million this year — is proof that a small African national airline can succeed "if it is run as a business and not as a status symbol", says Brian Davies, the airline's managing director and chief executive

The airline is expected to be listed on the Nairobi stock exchange by the end of the year

Davies said on a visit to Gauteng it hoped to attract a foreign airline partner to take 20 percent stake and Kenyan institutions to take a further 20 percent The Kenyan government would keep 20 percent The remaining 40 percent would be floated on the Nairobi stock exchange

Several foreign airlines were interested and more than one was carrying out a diligence test But, Davies said, "we are not looking for the highest bidder, but the most benefit"

Kenya Airways, which lost money for years, called in Speedwing, the management consultancy arm of British Airways three years ago

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CT (BR) 21/8/95 (163)

By Audrey D'Angelo

CAPE BUSINESS EDITOR

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Kenya Airways, which lost money for years after ceasing to be part of the East African Airways consortium, called in Speedwing, the management consultancy arm of British Airways three years ago Davies was offered his present job with the airline and asked to implement the Speedwing report

Reform helps Kenya farmers

(163)

BY MANOAH ESIPISU

CT(BR) 21/8/95

REUTER

Egerton — Kenya's farmers say they have begun to see gains from three years of reform, but want the government to clear the remaining obstacles to maximum profits

This was the message at an agricultural liberalisation seminar at Egerton University, an agriculture school near Nairobi

At the meeting, the Coffee Board of Kenya estimated coffee production would rise to about 85 000 tons this year from 81 000 tons last year and the tea board said it saw improved production from the about 209 000 tons harvested last year.

But bodies managing sugar, maize and cotton saw little short-term improvement while crops attempted to recover from poor farm policies and large imports since 1993

Coffee and tea combined earn about $600 million in foreign exchange a year It is the world's third biggest producer of black teas with 15 percent market share.

"Shortages of cane due to lack of development and falling yields explain much of production shortfall Quality is also a problem," said a Kenya Sugar Authority report

"Declining crop husbandry, for weeding and fertiliser application, and poor co-ordination between agriculture and processing departments at some factories has meant that harvested cane can be of less than optimal quality"

Sugar output fell to about 301 000 tons last year from 381 000 tons in 1993 and experts expect little improvement.

On cotton, delayed payments had forced farmers to reduce acreage and input use "Lower cotton production and lower capacity utilisation in co-operative societies and ginneries have exacerbated problems," an Egerton researcher said

A policy paper said transparency in parastatal reform and privatisation was elusive and reforms requiring the sale of factories to private investors raised political and equity problems

tural Development study recently
ien in Beijing this week

PHOTO AFP

Kenya airline doubles profit

(163) CT(DR) 4/9/95

FROM SAPA-AFP

Nairobi — Kenya's national air carrier, Kenya Airways, has more than doubled its net profit for the year ending March, Koome Mwambia, the airline's public relations manager, said on Saturday.

The net trading profit of Kenya Airways doubled from 398 million Kenyan shillings ($7,23 million) in 1993/94 to 885 million shillings on sales of 1,9 billion shillings, representing a 10 percent margin on sales, said Mwambia

During the same period the corporation repaid 1,1 billion shillings of external debt from its own resources, completing the carrier's debt restructuring and enabling its privatisation process to begin

The margin was well in line with the more successful airlines, he said

Tanzania's inflation rate is over 28%

BY MATT BIGG

CT(DR) 4/9/95

REUTER

Dar es Salaam — Tanzania's inflation rate has risen to 28,9 percent from 27,7 percent last year, according to figures released by the Bank of Tanzania

Tax changes, rising wages and an increase in the petrol price accounted for the inflation rise, the bank's report for the year ending in July of this year said

A Flash Consumer Price Index (FCPI) has been established as an early-warning inflation indicator for monetary policymakers, the report says

The value of Tanzania's exports increased by 3,8 percent in the first seven months of this year

According to the bank's figures, export earnings rose from $294,51 million for January-July last year to $305,59 million in the same period this year.

Despite this, exports of coffee and cotton, two of Tanzania's most important export crops, declined in volume despite higher world commodity market prices

During the same period, imports fell by 18,5 percent from $910,75 million to $742,62 million.

"Reduced disbursement of donor funds for balance-of-payments support may have accounted for the fall," the bank said.

Scandal

Tanzania's donors froze balance-of-payments aid, which accounts for about 20 percent of total aid to Tanzania, last November in protest at a tax-evasion scandal estimated to have cost the treasury around $70 million

In the first half of this year only $19,7 million was disbursed in balance-of-payments support, compared to $110,15 million in the same period last year, according to the bank.

In the coming year the food supply situation in Tanzania is expected to be satisfactory, it added

While an expected shortfall in wheat production will necessitate wheat imports, there will be a food-supply surplus in the year ahead. "On account of the improved food supply this year and the next, food prices are expected to decline and thus ease the inflationary pressures during the year," the bank reported

Overcrowding and a fall in standards leave Kenyan graduates kicking their heels

(163) Star 9/9/95

Nairobi – Unemployment among university graduates is so serious in Kenya that the International Development Association (IDA), a World Bank subsidiary, has commissioned a study to look into the problem

Kenyan urban areas are replete with unemployed and underemployed economists, veterinarians, biologists and lawyers. Even teachers who once commanded a high stake in the job market find it impossible to get posts Only doctors are assured of jobs on graduation

The cause of graduate unemployment may lie within the institutions of learning themselves In public universities, lecture halls are cramped with hundreds of students per session Academic standards have been falling This situation is worrying employers and educationists who are questioning the quality of Kenya's university graduates.

"Large classes of over 500 students helped to wipe out the tutorial system," said the IDA-sponsored report

University authorities have denied these problems exist – Independent Foreign Service

Kenya's 'white-elephant' airport scaled down as funds are withheld

(163) CT (BR) 11/9/95

FROM AFP

Nairobi — Kenya will scale down a controversial international airport because an international corporation has refused to release funds promised for the project, Musalia Mudavadi, the Kenyan minister of finance, has announced

He said the contractor building the $84 million airport in the western town of Eldoret had been instructed not to commit any further resources to the project

Construction of the airport had been criticised by the opposition and economists in Kenya who said the project was a waste of funds because the country already had international airports at Nairobi and the port city of Mombasa

International donors had also questioned the rationale for Kenya's building an expensive international airport when it needed to borrow large sums of money to rehabilitate crumbling roads

Opposition politicians said the white-elephant airport was intended to boost the ego of President Daniel arap Moi because Eldoret was situated in the Rift Valley province, from which Moi comes

The project was being re-evaluated and scaled down by the Kenyan government because ICF International, which had pledged to lend $59 million to the government, had refused to release those funds, said Mudavadi

The government paid Canadian construction company SNC Lavalin $36 million as a down-payment for building the airport, and construction began in December

"Under the circumstances, with external financing no longer available, the government has decided to re-evaluate and scale down the project," Mudavadi said

IMF ultimatum shock for Kenyan officials

CT(DR) 12/9/95 (163)

By Joe Khamisi

The Independent Foreign Service

STOP ORDER *Daniel arap Moi, the president of Kenya, must stop the rot or lose out on IMF funding*

Nairobi — The International Monetary Fund (IMF) has told Kenya to prosecute financial offenders or forget any further donor funding

The unprecedented ultimatum by IMF officials came at the end of their two-week visit to Kenya last week

The officials were in Kenya to discuss a $200 million package under the enhanced structural adjustment facility

The money, scheduled to be disbursed over three years, was intended to supplement the resources of the country's central bank.

But Hiroyuki Hino, the assistant director for the African department of the IMF, said the structural adjustment facility arrangement could not be concluded because of the Goldenberg financial scandal in which the government lost about $500 million in questionable deals

Kamlesh Patnni, an Asian businessman, and several former top officials of the central bank, are to face charges related to the scandal

Patnni's Goldenberg International was allegedly paid billions of shillings in compensation claims for non-existent gold and diamond exports.

However, the case has dragged on for more than a year

Hino said donors were unlikely to release more money to Kenya until the IMF was content that the matter had been dealt with to its satisfaction

"The IMF must be satisfied that the government has taken steps to prevent the occurrence of scandals involving such huge amounts of money," Hino told a media conference in Nairobi

He warned that any financial scandal involving huge public funds would have severe consequences for the IMF's relations with the government

The IMF stance has shocked Kenyan authorities, who expected a more favourable outcome.

"The IMF has pulled the rug from under our feet," one senior treasury official said

"We have been trying to prosecute these people and put the Goldenberg issue to rest I think the IMF decision was rather harsh," the official said

Experts said the continuing aid freeze could further destabilise the fragile shilling which had been performing rather erratically in recent months due to fears of aid cuts

Kenya's port plan 'may ruin shaky economy'

CT (BR) 14/9/95 (163)

By Joe Khamisi
Independent Foreign Service

Nairobi — President Daniel arap Moi's plans to transform Kenya's only deep-sea harbour into a free port may turn out to be a risky gamble that could ruin the country's shaky economy, say analysts here

Moi declared his government would make Mombasa a free port and transform it into a regional centre for commerce

"The free port will increase economic activities and improve the economy," Kirugi M Mukindia, the minister of trade and commerce, explained

Moi appointed a four-man committee — composed of his most trusted political confidantes — to work out the modalities of the project

Among them was Moi's business associate, Nicholas Biwott, the former minister of energy

Independent analysts and opposition politicians warn the free port idea might ruin the economy

"The creation of a free port would only legalise the activities of a small clique and the ruling class who have been importing goods duty free," said Mukaru Ng'And'A, the chairman of the Kenya National Democratic Alliance

Critics say a free port could be used by unscrupulous businessmen to dump goods on the local market without paying duties and taxes

Such activity, they argue, is detrimental to the future of local industries

Poor collection of government revenue at the port has been a sticky issue among donors Two months ago, donors pushed Moi into establishing the Kenya revenue authority to maximise tax collection at ports of entry

Daniel arap Moi

The authority is not yet effectively operational, fuelling speculation the free port idea was being mooted to circumvent the powers of the authority

Recently, the government undertook a major swoop at the port and arrested several customs officials for allegedly falsifying documents to allow untaxed or undertaxed goods to pass through

In making his announcement, Moi did not indicate whether the whole port would be turned into a regional distribution or manufacturing centre or if only a small area would be used for the purpose

By definition, a free port is a part of a port or airport at which cargo can be trans-shipped, discharged and reloaded without incurring customs duty and formalities

A free port can be classified under three categories a port specialising in trans-shipment cargo and storage of goods, a port where operations are limited to the preservation of goods in their original form, such as repacking, labelling, grading, bulk breaking and sorting, and where processing or manufacturing is allowed

Critics say free ports are ideal only for small island nations

"If free ports have tremendous economic benefits, super powers like the United States, Japan, France and Italy would have established such facilities long ago," said Mwai Kibaki, the leader of the Democratic Party and a noted economist

No feasibility study was done to determine the viability of the envisaged Mombasa facility

Moi's announcement, therefore, surprised many

Early this year, the port of Mombasa was voted one of the most inefficient ports by the United States agency for International Development

Uncoordinated management and corruption have been cited as some of the problems plaguing the port Laxness, equipment breakdowns and cumbersome customs procedures were being blamed by shippers for long delays at the port

While in more advanced countries, a ship can discharge 5 000 20-foot containers in a matter of hours, it takes up to a week for a ship to discharge 1 000 20-foot containers at Mombasa

Analysts say for a free port to succeed, an efficient system is paramount

The free port idea has been welcomed by the Kenya National Chamber of Commerce and the Kenya Association of Manufacturers

They said the free port would promote business among the 300 million people in the Common Market for Eastern and Southern Africa

Kassim Owango, the chairman of the chamber, said that liberalisation of Kenya's economy and the entry of South Africa had made the idea of a free port tenable

'UNDERMINING DEMOCRATIC PROCESS'

ANC accuses rival (163) parties of 'racism'

CTP 19/9/95

THE ANC LAUNCHED its local government election campaign yesterday with the claim that apartheid-type schemes were masquerading as coloured nationalism.

IN THE first major salvo of the national local government elections campaign, the ANC yesterday accused rival parties of racist tendencies because of alleged plans to mobilise coloured voters on ethnic lines.

In a statement issued by the ANC head office in Johannesburg, the party claimed that "certain political forces" had been mobilising and organising the coloured community.

Their aim, the statement claimed, was to stir up hostility and undermine the democratic process.

The ANC alleged that the National Party, the IFP and the PAC were actively "promoting apartheid-style ethnic chauvinism" in coloured communities

If these parties did not clarify their role, the ANC could only conclude that the NP, IFP and the PAC were deliberately working against the building of a united South African nation

This could "only lead to serious tensions between communities and contribute towards the rise of racist tendencies within our country"

The ANC appealed to coloured communities not to allow themselves to be used for "apartheid oriented schemes disguised as coloured nationalism"

These, it said, were aimed at fostering hatred, violence and fear between communities.

Meanwhile opposition parties in the Inkatha Freedom Party-dominated kwaZulu/Natal government said yesterday a leadership crisis in the IFP seemed to be driving the province towards a provincial election

This followed the weekend's fiery IFP national council meeting in Ulundi which revealed a widening gulf between IFP hardliners, who favour an election, and moderates, who favour negotiation with other political parties.

Federalist

Observers said IFP leader Chief Mangosuthu Buthelezi appeared to have sided with the hardliners in their demand for a federalist provincial constitution, which could be secured if the IFP won a two-thirds majority in the provincial election

KwaZulu/Natal Democratic Party leader Mr Roger Burrows said there was little doubt Chief Buthelezi was backing the IFP hardliners in his approach to the constitution-making process in the province — Political Staff, Sapa

Kenya to sell maize mountain

CT (BR) 20/9/95 (163)

By Joe Khamisi
Independent Foreign Service

Nairobi — Kenya is trying to dispose of the several million bags of maize it accumulated during two years of corrupt dealings

The country has stocks of 10 million 90kg bags, while its strategic reserves should ideally be around 3 million bags Unfavourable policies and dubious deals involving government officials and politicians led to an over-importation of the grain in the 1993/94 period

Reports on Friday said the country was about to sign a lucrative deal with five southern African countries, named by a source at the agriculture ministry as Namibia, Angola, Zambia, Botswana and Lesotho

Over the past two years 70 000 tons of maize were imported into Kenya through official and unofficial channels The importation was allowed in a partially liberalised atmosphere, despite the country's harvest of 34 million bags last year

One publication dubbed the importation saga the "Maizeberg" scandal, likening it to the Goldenberg financial scandal in which Kenya is said to have lost millions of dollars to fraud

As new harvests of dry maize came in this week, the open market price fell drastically, prompting panic in the sector The silos are already overflowing and urgent relief is required

The scandal began when the government directed the cash-strapped state-run National Cereals and Produce Board to buy maize from farmers at 950 shillings (about R67,00) a bag but sell it to millers at 679 shillings (about R48,00) a bag

Coincidentally, in 1993 poor rains led to a national surplus fall of almost 10 million bags This gave government officials the opportunity to enter the maize import business

The price plummeted by almost a third, forcing the government to impose a temporary ban on importation and a heavy variable tax for importers

Critics claimed the action was taken to protect the interests of influential importers

Unable to find a more profitable market due to prevailing poor prices, the importers persuaded the government to allow them to sell their maize to the cereals board at the fixed price of 950 shillings a bag, although it was selling at 300 shillings a bag in some parts of the country

Traders colluded with the board's depots using the millers' price of 670 shillings They bought grain at the reduced price and resold it to the board at 950 shillings

Internationally, the scandal pushed Kenya towards a collision with donors

Donors stepped up calls for a complete liberalisation of the agricultural marketing sector These included a cut in the number of main storage depots from 99 to 26

The proposals, discussed in 1993, were not accepted until recently when President Daniel arap Moi announced plans for the full commercialisation of the board's operations

A committee of local and external experts is to be established jointly by the government and the donors to work out the modalities of the changes

Beginning with this year's crop, Moi said, all maize will be sold at market price, removing subsidies

The board has been allowed to maintain a strategic reserve of 3 million bags and is permitted to buy from farmers and bill out surplus

Sources say the sales to southern Africa will be at 865 shillings, exposing the cereals board to a loss of 85 shillings a bag

Theft of medicines puts Kenyan patients at risk

Star 23/9/95 (163)

By JOE KHAMISI
INDEPENDENT FOREIGN SERVICE

Nairobi – Pharmaceutical companies in Kenya have lost drugs worth more than R1-million through theft in the past year while millions of Kenyans go without medicine in public hospitals

Industry sources say a cartel is at work at Jomo Kenyatta airport in Nairobi Drugs are also disappearing between the central medical stores and provincial and district hospitals

Opposition MP Charity Ngilu claimed recently that more than half the country's hospitals were crippled because essential drugs and equipment were being diverted to influential people

Most of Kenya's public hospitals are severely short of drugs and equipment. Patients often have to provide necessities such as bandages and needles.

Six companies, among them subsidiaries of world pharmaceutical giants, have sent a memorandum to the Kenya Association of Pharmaceutical Industry (Kapi), complaining about airport thefts. Kapi has, in turn, complained to the airport authorities

Importers say large consignments of drugs are pilfered when they arrive at the airport.

Kapi official Caroline Opondo says. "The number of reports we receive about missing drugs from pharmaceutical companies is increasing."

Industry sources indicate that the thefts occur in customs-bonded warehouses just before clearance Companies that have reported losses include Pfizer, Nairobi Dental Supply, Hoechst, Howse & McGeorge, Bayer and Dawa Pharmaceuticals The drugs are said to be finding their way to local chemists

Kenya seeks help to rehabilitate oil refinery

(163) CT (BR) 28/9/95

By Joe Khamisi
INDEPENDENT FOREIGN SERVICE

Nairobi — Kenya is seeking help from South Africa and Britain to rehabilitate its only petroleum refinery at Mombasa

Top managers of the Kenya Petroleum Refinery (KPRL) are intending to travel to the two countries to study how the plant could be transformed from a processing refinery into a buying and selling centre

Allan Davey, the general manager, is scheduled to visit British Petroleum South Africa and Shell South Africa in Cape Town

Van Leeuwen, the sales manager, will hold discussions with officials of Shell International and Shell UK in London

The move is being made in an effort to ward off the possible closure of the dilapidated 32-year-old refinery Poor maintenance of equipment and lack of spare parts have reduced crude oil processing at the facility from 3,3 million tons to 2,2 million tons a year

There has also been a significant drop in revenue from about $15 million in 1993 to about $9 million last year

Earlier this year, the World Bank called for the closure of the Kenya refinery

It also recommended the closure of refineries in Zambia, Tanzania and Madagascar

It said the refineries were small and uneconomical and could not compete with sophisticated international refineries

However, the bank's proposals were largely ignored Tanzania accused the bank of trying to create a market for South African petroleum products

Kenya had three options, to close down the refinery altogether and lose more than $20 million in annual revenue; to embark on a massive rehabilitation programme which it could not afford without donor help or to undertake a gradual transformation with foreign technical support

Kenya chose the third option

A KPRL board of directors recently directed the two officials to complete a feasibility study within six weeks

Plans are for the KPRL to buy its own crude oil, refine it and sell it locally and to neighbouring countries The company processes crude oil for companies and delivers the products to an appointed destination

It also formulates greases and handles product storage for which the users pay the refinery a processing fee

Eight international oil companies operate in Kenya, including South Africa's Engen

The industry imported over 2 million tons of crude oil last year

Officials say about $35 million will be used to replace antiquated assets on a selective basis

This will include the installation of an electricity generation plant and facilities for enhanced recovery of liquid petroleum gas A new computer control system will also be installed

Until the feasibility study is completed and a report submitted to the government, it is difficult to speculate exactly how the transformation to buying and selling would be implemented

Davey says the new measures would improve the company's performance in productivity and help it to adapt to the competitive environment of the petroleum products' market

Darius Mbela the energy minister, warned that unless the KPRL invested in operational efficiency, the future of the oil refinery could be at stake

Since the industry's deregulation last October, the government has taken measures to allow the company to compete with imported products

It abolished a 15 percent refinery throughput tax and introduced an import duty on motor gasoline and fuel oils

Companies were asked to process at least 1,6 million tons of cooking gas a year to end frequent shortages of liquid petroleum gas

Before deregulation, oil companies were forced to buy 30 per cent of their crude oil from the state-run National Oil Corporation of Kenya However, this is no longer the case

The government owns 50 per cent of the shares in the KPRL

The rest is shared by Shell, BP, Esso and Caltex

Kenyan bank clamps down on rampant fraud

(163)

NAIROBI — Kenya's central bank yesterday announced tough new rules governing private accounts, to combat rising financial fraud and money laundering.

"It is evident from the recent spate of financial frauds that commercial banks and non-banks have contributed ... through negligence in opening customer accounts to which fraudulent cheques are deposited," the bank's chief banking banager Reuben Marambii said.

To seal banking loopholes, the bank now required new account holders to provide names and addresses of referees, recent photographs of account holders, sources of finance, postal and residential address and occupation.

"Similarly, banks and non-banks are requested to carry out a review of all existing accounts to confirm that the above requirements have been met so that holders can be easily traced if the need arises," Marambii said.

Marambii said suspicion should be focused on accounts where large sums were deposited and large withdrawals made frequently, especially if the client could not justify the receipt or withdrawal of such large sums of money.

"Banks and non-banks which do not observe the above requirements will be held liable for any loss that might occur through their negligence," Marambii said.

BD 29/9/95

The bank said drug traffickers had begun using Kenya to launder illicit cash. — Reuter.

Kenyan institute hopes to end an era of sloppiness

(163) CT (BR) 4/10/95

By Joe Khamisi
INDEPENDENT FOREIGN SERVICE

Nairobi — A policy institute being set up in Kenya may be the answer to years of bad planning now blamed for the loss of millions of dollars of public funds through kickbacks and sloppy administration

The foreign-funded Kenya Institute for Public Policy Research and Analysis, will be launched next month

The Kenyan government together with USAid, the European Union and the African capacity building fund will pump an estimated $6 million into the project

The three organisations will provide $4,4 million to cover the budget of the first four years

Kang Ethe Gitu, the director of planning, said the institute would provide policy analysis and conduct basic research with the aim of improving public policy co-ordination in the country

"Policy research and analysis is critical at the moment as the country becomes integrated into constantly changing international economic environment," said Gitu

The institute became necessary after donors lamented the enormous resources being lost because of bad planning

Billions of shillings have evaporated through the construction of white elephant projects

A good example is the multimillion dollar molasses plant which collapsed before producing a single drop of power alcohol

The plant is now scheduled for auction to pay out more than $3 million in overseas loans

The Eldoret airport in western Kenya is another example

Despite strong objections from the World Bank, the Kenyan government went ahead and committed $25 million of public money to the airport construction

Another $58 million was to be secured from ICF International

The money was never disbursed because the Canadian-based company defaulted, prompting the government to scale down the project to about $36 million

Although officials insist the country needs a third national airport for horticultural export purposes, no studies were ever conducted to determine the overall viability of the project

Many think the decision was politically motivated The airport expenditure was never budgeted for and received no parliamentary approval as required

In another case, the government lost $56 million in building the Trans Nzioa sugar factory

The project flopped and equipment worth $16 million has been lying at the site for the past five years

and kickbacks

Often, major projects are decided by a small clique of bureaucrats without the support of experts

Feasibility studies, vetting and evaluation procedures are barely carried out

Also, the selection of investment proposals are often based on personal interests rather than national requirements

Government resources such as finances and labour are never taken into consideration The result is budget over-expenditure

Donors now hope the institute will correct all this by providing a mechanism for analysis and research at the initial stages

It will work on priorities and promote co-ordination between politicians, policy-makers and administrators in the planning and implementation of development projects

Gitu is optimistic the institute will correct existing anomalies

US ambassador bluntly criticises top Kenyans

ET (MR) 6/10/95 (163)

By Joe Khamisi

INDEPENDENT FOREIGN SERVICE

Nairobi — When the American ambassador to Nairobi, Aubelia Brazeal, bluntly told Kenyan politicians to return millions of dollars stashed away in foreign bank accounts, not a single leader raised a finger to challenge her

"If you expect foreigners to invest here," she said, "then you should bring home all the money you have stashed away in overseas bank accounts," she told a stunned audience in the port town of Mombasa recently

In one of her most brazen criticisms of Kenya's leadership, Brazeal said every country in the world was competing for investment capital Kenya too, she said, had to seek ways of attracting more investors But Kenyans must first be their own investors The fact that her bold statement went unchallenged is telling

Figures quoted by opposition leaders two years ago showed that influential Kenyans were hoarding about $10 billion in bank accounts overseas Of this sum, about $2 billion was said to be in cash and the rest in assets Analysts say if the money is returned, it could comfortably offset the country's external debt and bridge the budget deficit

President Daniel arap Moi and his vice-president, George Saitoti, were named by the late veteran opposition leader, Oginga Odinga, as some of those holding overseas accounts

"It is ridiculous for Kenyan leaders to go abroad on begging missions while they have more than 40 billion Kenyan pounds here," he complained

Under Kenyan law it is an offence for a citizen to hold a bank account outside the country But no one has been prosecuted Kenyan leaders reportedly maintain accounts and residences in Europe, America and Australia.

Millionaire opposition leader Kenneth Matiba does not keep his London flat a secret He jets to England at least once every three months for medical treatment and for business

The East African Standard said that people "invested" overseas as they had no confidence in the stability of their own country and felt they faced smaller risks keeping their money outside Many observers say the solution is for foreign countries to tighten their banking rules and bar such deposits

Scandal strikes Kenya

(163) MG 13-19/10/95

Greg Barrow in Nairobi

THE Kenyan government was badly shaken last week by an official report which says that more than £166-million may have been misappropriated from public funds shortly after the country's first multi-party elections in December 1992.

The scandal will further undermine Kenya's reputation with its international donors. It follows Kenya's refusal last week to co-operate with the International War Crimes Tribunal for Rwanda by allowing access to Hutu extremists living in exile.

A detailed report by Kenya's auditor-general exposes irregular and untraceable payments from the treasury amounting to £178.6-million in the year after President Daniel arap Moi's election victory.

David Njoroge, the auditor-general, told parliament last week he had been unable to account for large payments from public funds during 1993 "Documents to support the payments have not been made available to facilitate verification of the payments and the services rendered," he said.

Western diplomats in the Kenyan capital, Nairobi, said they were stunned by the implication that state corruption on such a scale was still continuing.

"It's been a difficult week for Kenya," said Henning Kjeldgarrd, the Danish ambassador. "One scandal appears to soon surpass another, and it's always the poorest Kenyan citizens who pay."

The World Bank had an urgent meeting with the Kenyan treasury to discuss the report. "We're continuing our consultations and actively reviewing the auditor-general's report," said Richard Anson, the deputy head of mission for the World Bank in Nairobi.

It was not clear from the report whether the misappropriated funds include money that disappeared in the so-called Goldenberg scandal in which more than £66-million of public funds were used to finance an export compensation scam.

The report has cast a dark cloud over Kenya's forthcoming meeting with aid donor countries in Paris. It may also reflect badly on Musalia Mudavadi, the finance minister, long considered a trustworthy politician.

— *The Guardian*

Kenya hopes for IMF loan despite criticism

CT(BR) 18/10/95 (163)

By Manoah Esipisu

REUTER

Nairobi — Musalia Mudavadi, the Kenyan minister of finance, under fire over a damning report by David Njoroge, the auditor general, said yesterday he still hoped to clinch an IMF loan by the end of this year

The report, issued early this month, blames the finance ministry for the loss of $268 million in deals in which names of beneficiaries or contracts for purchases were not disclosed

"The Kenya government hopes that an IMF programme for $220 million will be in place by the end of the year," Mudavadi said

"The minister assured the IMF and World Bank that the government took current reform programmes seriously and would maintain reforms on track for the benefit of all Kenyans," the ministry said on Mudavadi's return from Washington

Last week, Mudavadi said part of the payments mentioned by the auditor-general related to a company called Goldenberg, to which the government paid billions of shillings in an export compensation plan for gold and diamonds

He attempted to explain to parliament how the rest of the money was used but did not say why the auditor-general was not given the details he sought

Michael Kijana Wamalwa, the head of opposition in parliament, has since asked Mudavadi to present explanations to the powerful parliamentary Public Accounts Committee, which he chairs

Hiroyuki Hino, the IMF assistant director for Africa, said on a visit to Nairobi last month that agreement in negotiations for a new enhanced structural adjustment facility had been delayed over the slow progress in ending financial misuse

At the time, Hino said progress in dealing with the protagonists in the Goldenberg case was slow and the government was not sending clear messages it would punish financial fraud

He expressed concern over the delay in releasing the auditor-general's report and said any new major revelations of financial misuse would be a set-back to negotiations

But after "fruitful meetings" with IMF and World Bank executives, Mudavadi said project loans totalling $187 million for Kenya would soon be presented to the World Bank's board

The money is for the rehabilitation of the crucial Nairobi-Mombasa road, an arid resource management programme, and improving roads infrastructure in 26 Kenyan towns

He said annual borrowing from the International Development Association, the World Bank's concessionary lending affiliate, would be in the region of $235 million to $250 million in the next three years and would depend on levels of growth and improved performance of the economy in that period

CT (BR) 27/10/95

163

Kenya to export maize to SA: Kenya would export 23 000 tons of maize to South Africa, an official of the state-run National Cereals and Produce Board said yesterday He said the maize would be shipped from the port of Mombasa this week and would be the second maize export consignment to South Africa from Kenya.

'Paranoid' Moi charges anything in sight

(163)

■ As Kenyan opposition parties strengthen President Daniel arap Moi is increasingly seen as a worried, even paranoid man. **JOE KHAMISI** reports from Nairobi.

LIKE a wounded buffalo, the Kenyan government appears to be charging at anything in sight

One day it tells of an imminent invasion from American white supremacists the Ku Klux Klan The next there is a threat from the Italian Mafia or Libyan-led invaders

Within a week two "threats" to the country's sovereignty have been "exposed".

President Daniel arap Moi said on October 20 that mercenaries from South Africa were poised to invade Kenya from Uganda

"It is absolutely absurd I can tell you we do not have any such people," Uganda Defence Minister Amama Mbalazi retorted

Three days later Mr Moi accused Kenya's opposition of planning a trip to Rwanda and Burundi to learn tricks on how to destabilise his government.

While the opposition agreed a visit to Rwanda was in the offing before the end of the month, it said the tour had nothing to do with a hostile plot "We are not going for arms," it said in a statement.

Opposition MP Njega Mungai said claims of plots against Kenya had reached alarming proportions and now involved nations such as South Africa, Uganda, Rwanda and Italy.

Like previous allegations of external mischief, the latest barrage was not substantiated

Political observers think the claims may be directed against the opposition as a preamble to a possible crackdown.

In the past few months Mr Moi has been particularly edgy over opposition criticisms of his regime.

Last week he claimed his detractors planned to introduce a motion in parliament to discuss his health. He said the move was "malicious" and insisted he was in perfect health, fit to lead the nation

During the past four weeks two lawyers said to have been handling sensitive cases against senior government officials have been arrested One of them, Raphael Wang'Ondu, has been charged with being a member of the clandestine February Eighteen Movement (Fem)

The Kenyan government claims the movement is based in Uganda, but authorities in Kampala have denied this

Apart from worsening already poor relations with Uganda and Rwanda, the latest allegations of imminent aggression have revived internal criticisms of the way the country conducts its foreign policy

Opposition party Ford-Kenya's vice-chairman James Orengo accuses the government of abdicating its international duties and obligations to pursue a policy that aimed at satisfying the "whims and narrow interests of the ruling clique"

In an editorial on Wednesday the East African Standard called for party politicking to be separated from foreign policy

If this was not done, it said, Kanu could find itself a pariah, a lone ranger in the region

Kenya general elections are more than one year away, but jostling for position has already begun

ARG 28/10/95

Three leading opposition groups have begun talks aimed at nominating one presidential candidate to take on Mr Moi in 1997

Although the talks are in their initial stages, the very thought of a united opposition is sending the ruling party Kanu into a state of panic

Kanu won a dismal one third of the vote in the 1992 only because of a fragmented opposition.

Opposition parties Ford Kenya, the Democratic Party and Ford-Asili want to change all that

The emergence of Safina party with renowned palaeontologist Richard Leakey at the helm is another thorn in Mr Moi's side

Although the party is unregistered, it is working closely with the other groups

Mr Moi is also worried about the growing clamour over the mysterious death five years ago of his popular foreign minister, Robert Ouko

Recently Kanu marshalled all its members in parliament to defeat an opposition motion calling for a select committee to probe the murder

Preliminary evidence gathered by Scotland Yard during investigations in Kenya reveal some senior government officials may have been involved

Kenya tackles student drug ring

JOE KHAMISI
Foreign Service

AAG 18/11/95 (163)

■ Interpol and Kenya are working together to smash an international drug ring involving students who use the proceeds to fund their studies and support their families.

NAIROBI. — Kenyan authorities are working closely with Interpol to stamp out an international drug ring involving Kenyan students in India and international smugglers in Europe and America.

According to drug enforcement sources here, the effort comes in the wake of an increase in the number of Kenyans being jailed abroad for trafficking in illegal substances, mainly heroin

Since the beginning of the year, 14 Kenyans have been arrested in Western capitals on suspicion of drug smuggling

Twelve of them were nabbed in Sweden while two were arrested in Yew York

Last year, 20 Kenyans were jailed abroad in drug-related cases

They are serving long jail sentences in countries as far afield as Thailand and as close to home as Zambia

A Kenyan, Godfrey Maina, was among 10 foreigners hanged in Egypt in April 1994 after trying to smuggle heroin, opium and hashish worth $200 000 (R720 000) into Egypt

In September this year a 35-year-old Nairobi woman, Jacinta Mwilu, began a six-year jail term in Sweden

She was convicted of being in possession of 650 grams of pure heroin with a street value of $290 000 (R1 044 000)

She had swallowed 67 pellets when she left Nairobi for Stockholm on board a Swissair flight

Swedish anti-narcotics agents arrested her on July 11 as she passed on a drug parcel to her Malawian contact, Dennis Nkhuwa

Nkhuwa was sentenced to six years for the same offence and both will be deported after completing their jail terms

It is believed the couriers are directed from India and Kenya by a tightly-knit cartel of drug traffickers.

The drugs are procured in the Far East and conveyed by couriers on international airlines to Nairobi for onward transmission abroad.

The United Nations International Drug control programme has already singled out Kenya as being among the major drug transit points on the continent.

Last year, Kenya deported several foreigners suspected of being involved in the trade

Mohan Chetandas Mankini, a Pakistani and Mohamed Forde from Cameroon were expelled after investigations into their alleged part in an international smuggling ring

And last June, eight suspected drug barons from West Africa were also deported

In Nairobi, several Pakistani and Indian drug couriers are languishing in prison Six Kenyans supposed to be studying in India are on trial in Sweden for transporting heroin with a street value of $1 5 million (R5,4 million)

Swedish officials said the Kenyans and two Swedes were part of "an elaborate and well organised narcotics racketeering cartel with their sources in India and their linkman, a Kenyan, in Sweden"

The accused, among them two women, are aged between 25 and 34 years old

A Stockholm court was told by Swedish prosecutor Annika Ludeby that the Kenyans used their payoffs to finance their education in India.

But they were also found with a large assortment of expensive electronic gear Some of the money also made its way to relatives in Kenya

Early this year, the Central Bank of Kenya alerted commercial banks to be more vigilant regarding money laundering through drug trafficking

All deposits or transfers of more than $500 000 (R1 800 000)must now be reported

Kenyan anti-narcotics personnel with the help of Interpol are anxious to bust the Indian smuggling ring

Last year, a senior drug enforcement officer, Michael Jack-Obam said Kenya had replaced Nigeria and Egypt as the new transit point for drugs from South-East Asia.

"We want to get to the bottom of the problem and see if we can stem the tide," one official said.

Officials at the Kenyan embassy in New Delhi have been given details on how to follow up the matter.— Independent Foreign Service

Perils of foreign missions in Kenya

(163)

■ Foreign envoys no longer feel safe in Kenya and some have experienced devastating attacks by criminals who show no mercy. JOE KHAMISI of the Foreign Service reports from Nairobi.

ARG 25/11/95

UNTIL the Argentinian embassy in Nairobi was raided by gun-toting thugs last September, foreign missions in Kenya were considered secure and impregnable by organised crime cartels

No more

Foreign envoys have now asked the Kenyan government for protection after a series of vicious attacks

They have formed a committee to press for the establishment of a diplomatic protective force

But the local media are asking whether assaults on foreign missions are not a ploy meant to tarnish Kenya's international image.

The Argentinian embassy raid was the first on a foreign mission in Kenya's history

Smartly dressed thieves stormed into the embassy premises at daylight and made away with an equivalent of $20 000 (R72 000)in cash and other property

Since then two more embassies have been raided resulting in loss of property and serious injuries to diplomats

Barely two weeks after the first incident, the residence of the Pakistani high commissioner, Moazzam Khan, was attacked in the dead of night by armed gangsters

Jewellery, electronic equipment and foreign currency worth thousands of rands were stolen

But the most serious attack occurred on October 4 when the Indian high commissioner, T P Sreenivasan, and his wife were seriously injured by armed thugs who penetrated their well-protected residence in a posh city suburb

The two were treated for facial injuries and multiple body fractures They are now under medical care

The gangsters entered by boring a hole through the concrete perimeter wall before slicing their way through a window.

They severely beat the two and made off with mainly electronic goods

"I did not think foreign diplomats could be targeted," an official at the Argentinian embassy said

"This is very unfair, how can they do this"? she asked

The American ambassador, Aurelia Brazael, said the wave of attacks on foreign missions had raised fears among envoys over security

"We want the government to step up protection for all envoys accredited to the country," she said

Police Commissioner Shedrack Kiruki, said security for diplomats had been intensified. But missions are reinforcing their premises and tightening restrictions.

Maize sold in face of starvation

(163) CT (OR) 28/11/95

By Joe Khamisi

Nairobi — Thousands of people living in the dry areas of northeastern and northern Kenya are faced with starvation and many have died but Kenya continues to export its "surplus" maize to southern Africa

The nation does not even make a profit out of the sales Of 270 000 tons sold in October mostly to Zambia, Botswana, Namibia, Zimbabwe, Angola and Lesotho, Kenya incurred a loss of $6,6 million according to local newspaper The East Africa

The country loses $24,2 for every ton sold to southern Africa This is the difference between the $191,9 a ton paid by the National Cereals and Produce Board when buying from farmers and importers and the sale price of $167,7 a ton. The price is, however, better than the world price of $159 a ton

The present monetary loss would not have occurred but for earlier corrupt deals between some board officials and government-connected influential importers

At the height of the scandal last year, maize silos were overflowing with an estimated 8 million 90kg bags as a result of indiscriminate imports. Kenya's strategic reserve is 3 million bags

Millions of dollars were reportedly lost through a carefully nurtured scheme of paper shuffling and outright theft

Donors are so incensed by the scandal that they have successfully pressed for the restructuring of the board

Last week, another consignment of 13 500 tons of white maize left for South Africa By next June, a total of 350 000 tons will have been shipped to southern Africa

Kenyan officials say the commodity was being sold to make room for an expected bumper harvest this year and to generate funds to pay off an outstanding debt of $45 million to farmers — Independent Foreign Service

Kenya winning inflation battle

CT(MR)28/11/95 (163)

FROM REUTER

Nairobi — Kenya's chief banker said yesterday the East African country had met its economic priority for 1995 by bringing inflation down to a single-digit figure

Central Bank of Kenya (CBK) governor Micah Cheserem said· "It is our objective to do everything within our means to continue containing inflation at single-digit (figures) throughout 1996"

Central bank figures showed average annual inflation to be just 1,7 percent in October against 36,9 percent in the same month last year

The finance ministry has forecast GDP growth of 5 percent this year from 3,0 percent in 1994

Cheserem said other economic indicators, such as interest rates and the shilling exchange rates, had shown stability

In recent months, the shilling has stabilised at about 55 to the dollar from 42 in October last year

The shilling showed violent fluctuations in late 1994, firming to 32 by November 1994 before losing to 44 and then further to 55

"Stability does not, however, mean a fixed exchange rate What we seek to achieve is an orderly movement of the exchange rate in whatever direction," Cheserem said in a statement

Excuse

Cheserem spoke of a general concern in the Kenyan money markets about high interest on government treasury bills, which commercial banks were using as an excuse to raise base rates

He said the commercial banks and non-bank financial institutions held 50 percent of the approximately 65 billion shillings ($1,18 billion) in treasury bill stocks — and therefore did not have a good reason to raise their base lending rates

Commercial banks have raised their base rates in the last two weeks in the range of 23 to 26 percent against treasury bill rates of 24 percent Rates are expected to push upwards

"Let us help the economy and ourselves by progressively lowering interest rates," Cheserem appealed to the banks

He said the CBK had cut treasury bill stocks from 95 billion shillings ($1,72 billion) in November 1994 to $1,18 to $1,27 billion to avoid releasing excess liquidity into the economy

In the last year, Cheserem said Kenya licensed 40 private foreign exchange bureaus, 22 were already operational and had captured 7 percent of the foreign currency market

Cheserem also spoke out against rising bank fraud and urged banking institutions to wipe out the "menace". In recent weeks, Kenyan newspapers have reported massive fraud cases that cost the sector millions of dollars

Kenya opposition parties get together to oust Moi

(163) CT 7/12/95

NAIROBI: Kenya's fragmented opposition parties yesterday launched an alliance aimed at removing President Daniel arap Moi from power and expressed regret for divisions that denied them victory in landmark 1992 elections

Conservationist Dr Richard Leakey, whose Safina (Ark) party has so far been refused registration, was named chief co-ordinator of an inter-parties secretariat to run the alliance's affairs

"The Opposition Alliance is a coalition of parties to establish a new democratic order that will ensure good governance, social justice, human rights, and socio-economic prosperity for all Kenyans," an alliance statement said

"The alliance will mobilise all resources necessary for removing the Kanu party from power, eliminating corruption and tribalism, bringing an end to political persecutions and murders, and establishing a government of national reconciliation and reconstruction," it said

The statement was signed by FORD-Kenya chairman and official opposition leader Mr Michael Kijana Wamalwa, FORD-Asili leader Mr Martin Shikuku and Democratic Party chairman Mr Mwai Kibaki

Dozens of opposition members of parliament and Western diplomats attended the alliance launch ceremony in Nairobi

In December 1992 elections, Kenya's combined opposition won 88 parliament seats with 3,23 million votes versus Kanu's 100 with 1,39m votes Opposition candidates got a combined 3,43m votes for the presidency but Mr Moi retained power by winning 1,82m million — Reuter

Kenyan bourse attracts foreigners

(163) CT(BR) 5/12/95

By Nanna Mwaluko

Nairobi — Foreign investment at the Nairobi Stock Exchange, threatened at inception by stifling rules, was picking up as the bourse continued on a path towards reform, financial and market analysts said yesterday.

"Interest is increasing more and more and there have been major inquiries from four international fund managers," said Jane Briggs, a research director at Loita Asset Management, a Nairobi-based management investment firm

Investment

Initial investment was pioneered by an American-based emerging markets fund

In February, two months after Kenya embraced foreigners at the bourse, it peaked at $2,01 million

However, since then shrinking foreign trade has plagued the bourse as laws limiting the number and kind of shares for purchase effectively slowed down the pace of investment

These laws included restricting foreign investment to only 20 percent of a locally based company's share capital for institutions and to 2,5 percent for individuals

In March, the foreign investment board on the exchange recorded trade worth $492 426, down 76 percent from February

The laws did not take into consideration multinational and joint-venture companies that exceeded the limited share capital before the rules were introduced

An August revision through the Capital Markets Authority cleared the discrepancy

Other measures to calm the market included a July decision to lower broker commissions to 2 percent from 2,5 percent and to allocate a 0,02 percent portion of the money received from commission to a compensation fund to recoup losses by investors

Finance Minister Musalia Mudavadi has also doubled a ceiling on foreign investment to 40 percent of a locally based company's share capital for institutions and 5 percent to individuals

"Investors were obviously looking at South Africa as their primary emerging market, but with time they have become more and more acquainted (with the exchange)," Briggs said

In November, foreign investment was $972 503 from just $125 416 in October, with foreign traders targeting plantation and commercial stocks for profit-taking

Vibrant

"In January (this year) foreign investors played the safest game and Kenya Breweries was the most sought after stock and the industrial sector the most vibrant," said Edgar Wamalwa, an equities analyst at Loita Asset Management.

But as investors grew to know the market they diversified, entering the commercial, industrial and financial sectors to position themselves for profit-taking, he said

The exchange is sub-Saharan Africa's third-largest bourse with a market capitalisation of $3,3 billion. Foreign investment is at $38 million on 3 148 612 shares — Reuter

KENYA – GENERAL

1996

Kenya's new cheque clearance system will help deter fraudsters

CT(MR)8/1/96 (163)

By Joe Khamisi

Nairobi — Kenya, wise from years of runaway fraud in the banking industry, is to introduce a new system that will revolutionise cheque clearing procedures and save the industry millions in stolen money every year.

The Magnetic Ink Character Recognition surveillance system is to go into operation in all the 42 registered banks in Kenya this month.

In doing so, Kenya becomes the third country on the continent after South Africa and Zimbabwe to introduce the strict surveillance system.

Its introduction follows extensive study of cheque clearing procedures in other countries, including South Africa, Britain and America.

Experts estimate that Kenya loses more than R3,6 million annually through obsolete cheque clearance procedures

The Central Bank of Kenya blames former bank executives, acting in collusion with criminal elements in financial institutions, for the white collar crime. Bankers also talk of an international connection.

The surveillance system will take over from a manual and largely obsolete procedure prone to human error

In the new system, all cheques are to contain a transaction code and a cheque digit printed in magnetic ink at a specified position.

It will also contain a cheque number and details of the bank and branch

The cheques currently being used are not security sensitive and can easily be reproduced.

To be able to process the new high-tech cheques, banks will need to acquire a reader and a reader/sorter machine which will be linked to the bank's computer network.

The equipment is available on the market at between R1 800 and R3 600, depending on the volume of documents to be handled

While officials say the reader may not be absolutely mandatory, a reader/sorter is essential, particularly where large volumes of cheques are involved

When encoded cheques are passed through the machines, the code line information is promptly transferred, enabling banks to make postings immediately after the necessary verification.

The new system will detect bad cheques and speed up cheque clearance

It will also free staff from boring paperwork.

At the moment in Kenya, cheques take up to 10 days to clear

The new system, officials hope, will reduce this time significantly.

In a further attempt to eliminate fraud, the Kenya Bankers Association, which is behind the new innovation, has limited cheque printing to only two companies

Code line information will be incorporated during printing, making the cheque printing companies solely responsible for any leaks. All cheques will have a standard design and size to discourage printing of fake documents

Last September, international fraud busters gathered in Nairobi and concluded that banking fraud was on the increase worldwide.

Their meeting was organised by the Common Market of Eastern and Southern Africa States, in conjunction with the Kenya Bankers Association and business interests The new measures are the result of that meeting

The biggest problem involves the swapping of genuine cheques for fake ones during the clearing process

In Kenya, the biggest problem involves swapping genuine cheques for fake ones during the clearing process.

Although cheques are cleared in the normal way, they find their way into the bank accounts of criminals who promptly withdraw the money.

A few months ago, for example, a well-dressed man walked into a bank and casually withdrew nearly a million rand in Kenya Shillings from an account.

The crime was discovered weeks later, well after the criminals had vanished.

With the help of accomplices in banks, crooks present forged and altered cheques, treasury bills, title deeds and letters of credit and walk away free

But financial fraud is not restricted to banks.

A newspaper report last September said brokers at the Nairobi Stock Exchange were losing millions of shillings in a syndicate involving non-existent shares

Criminals offer for sale forged share certificates and transfer forms.

In one incident, a broker lost the equivalent of R54 000 when he bought National Bank of Kenya shares for his client. The broker found out too late that the share certificates were fake. — Independent Foreign Service

***ROCKY ROAD** Kenyan authorities face basic infrastructural problems in their bid to create a manufacturing base for the economy*

(163)

Industrialised-nation tag still eludes Kenya

ET(BR) 9/1/96

Kenya has been aspiring to the status of 'Newly Industrialised Country'. Joe Khamisi of the Independent Foreign Service examines the process

For most of last year, Kenyan authorities tried to convince the world that in another 15 years the country would walk out of poverty and become a newly industrialised country. The official premise was that the government of President Daniel Arap Moi was rapidly liberalising and taking measures to transform its third-world economy into a modern market-orientated entity.

The government mentioned the comprehensive economic reforms undertaken to free the country from years of bureaucratic stronghold. As a stepping stone for the great leap, it also cited an economic growth rate of 3 percent in GDP, achieved last year after five years of zero growth, as well as an improved balance of payments and terms of trade for the first time in nine years, and a reduced annual inflation rate of about 28 percent.

After 32 years Kenya's ruling party Kanu appears to have run out of ideas

In parliament in October, George Saitoti, the deputy president, even boasted that Kenya's economy had achieved such remarkable successes that it was second only to South Africa whose economy, he said, was "narrow-based and heavily subsidised". The former mathematics professor had to be reminded by opposition legislators that the economies of Nigeria, Zimbabwe, Botswana and Mauritius had a far higher per capita base than Kenya.

Many think the sudden optimism within Moi's government is based on wrong conclusions and analysts say more must be achieved for Kenya to achieve "industrialised" status.

The country's economy is heavily dependent on agriculture which contributes 23 percent to the GDP.

According to J Moronge Miyogo, an industrial geographer at the University of Nairobi, for a country to be rated as industrialised, it must experience rapid growth, especially in the manufacturing sector. It must also be associated with production of higher-value commodities involving greater processing of raw materials.

Countries that have attained such levels include South Korea, Taiwan, Singapore, Hong Kong, Malaysia, Brazil, Mexico, India and Egypt. In such places manufacturing accounts for at least 20 percent of the GDP. Manufacturing in Kenya plays a distant third fiddle to agriculture and tourism, with a GDP contribution of less than 5 percent. Last year, it grew only 1,9 percent.

But even if manufacturing were to achieve the magic 20 percent of the GDP, "industrialised" status may be far-fetched because of other factors. Higher-value commodities are limited and most processing of key raw materials is done elsewhere.

Local industrial technology is still primitive and the country continues to depend heavily on imported technologies. Furthermore, a majority of the large-scale manufacturing and industrial companies are subsidiaries of multinational firms. Key businesses in tourism, insurance, hotel and even agriculture are owned by foreigners.

Worse still, manufacturing has been adversely affected by foreign competition arising from economic reforms during the past few years. Stores are replete with much cheaper and higher quality goods from abroad. Heavy government taxes and import duties plus a strong shilling have led to dozens of factories either closing down or scaling down operations.

Nevertheless, several factors are in Kenya's favour. The country has plenty of cheap labour, a large cadre of skilled personnel, a good climate and, so far, a relatively stable political environment. Negative factors include an unpredictable political future, corruption, bad government and an excessive bureaucracy. There is a serious lack of a clearly defined industrial policy. Foreigners often complain that Kenyans lack aggressiveness in marketing.

The joint-venture concept which many countries use to attract investors appears not to have been adequately pursued. Even the so-called incentives offered so far to investors have been insufficient to attract serious players.

In addition, basic infrastructure is seriously lacking. To qualify as industrialised, Kenya will need to diversify its exports and go for a bigger share of the international market.

To achieve all this, however, a change in policy and approach will be required. But after 32 years in power, the government of the ruling party Kanu appears to have run out of ideas capable of catapulting the country to a higher plane — Independent Foreign Service

Kenya's car dream fades away

(163) CJ (BR) 16/1/96

By Joe Khamisi

Nairobi — Although one of the poorest countries in the world, Kenya's obsession with the grandiose is unmatched

Take, for example, Kenya's dream car Five years ago, President Daniel arap Moi launched what he said were prototypes of Kenya's own motor vehicle

He called it the Nyayo Pioneer — Nyayo being his self-adopted philosophy of peace, love and unity The car was to be a joint project between Kenya Railways and the University of Nairobi

More than $100 million was pumped into the project without any feasibility studies being carried out However, after a lavish launch, the auditor-general announced that the money allocated to the project had mysteriously disappeared

To add to the secrecy, the Nyayo motor company was disbanded and replaced by another company, Numerical Machining Complex, in January 1994 No reasons were given for the name change

Although the project stalled almost immediately after the prototypes were displayed, the government still injected a further $500 000 into the project

Parliament never approved the expenditure and audited accounts were never produced

Now, Moi says, the government plans to revive the project with the help of Japan's Mitsubishi

But how such a car would fare in the face of an influx of reconditioned cars from Dubai and Japan is a mystery.

Cheap reconditioned models can be bought locally at 40 percent less than a new car Reconditioned models already command 55 percent of the domestic market of 20 000 units a year

Knowing what it takes to establish production lines, Mitsubishi officials shrugged off the idea, leaving many Kenyans wondering what their government was up to

But this is not the only car project that has failed in Kenya Ten years ago, Moi mooted an idea of an urban bus system to compete with a monopoly, the British-run Kenya Bus Service

A decade later, only about 50 buses are left countrywide out of a fleet of 367

More than $200 million injected into the project to buy the buses and spare parts disappeared Although officials blamed the low fares and lack of proper workshop facilities, media investigations revealed corruption and theft.

It is estimated the project lost $10 million, a figure rising by $5 million a year. No one in the government is talking about the bus project anymore and the auditor-general has declared it "insolvent" — Independent Foreign Service.

GOING NOWHERE *Kenyan drivers in a traffic jam Dreams of a locally-manufactured car have come to nought*

PHOTO: UNIVERSAL PICTORIAL PRESS

Kenya faces media clampdown

(163) Sowetan 17/1/96

NAIROBI – Kenyan authorities have published two bills which, if they become law, will the give the state greater powers in the control of the media and monitoring journalists' professional conduct

The Press Council of Kenya Bill drafted by Attorney General Amos WaKo and expected to be tabled in parliament in March, provides for the establishment of a Press council responsible for the licensing of journalists

The 13-member council will make sure that a person applying to be registered as a journalist is trained in an institution approved by the council and is of "good character and general professional orientation and aptitude," according to the bill published in the current issue of the weekly *Economic Review* magazine

Although eight of the the 13 council members will be representatives of newspaper publishers, journalists have expressed doubts over the proposed council's ability to act independently because its funding will be provided by the government or come from other "sources approved by the information minister"

Journalists who violate a code of conduct established by the council will have their licences withdrawn and be banned from working as journalists in Kenya

The second bill provides for the establishment of the Kenya Media Commission which will have wide ranging powers in the licensing and control of newspapers, radio and television stations

The bill proposes that the chairman of the commission be appointed by the president and that between four and seven other members be appointed by the information minister

The information ministry, which is currently responsible for the issuing of radio and television licences has refused to register scores of private electronic media

There are two television stations in the country — the state-owned Kenya Broadcasting Corporation and the Kenya Television Network, owned by the ruling Kenya Africa National Union party – *Sapa-AFP*

Coffee trade shake-up coming

NAIROBI: Kenya pledged further reforms yesterday in its coffee industry, covering output, quality and marketing.

Coffee, the country's third best foreign exchange earner after tourism and tea, has been hit by low world prices. But the government said it will continue with reforms started in 1992 to boost yields and cultivate new markets.

(163) CT 18/1/96

Sapa-AFP-Reuter

THYS DULLAART

Times they are a-changin' an elderly man shares a joke with fellow commuters at a Triomf bus shelter, but whether Triomf will be able to change its suburban tune altogether if it goes back to being called Sophiatown is the question which is foremost on residents' minds as a local NP councillor prepares a referendum.

Sophiatown debate rages

Star 31/1/96

Remembering Kofifi in grief and bitterness

Star 31/1/96

By Nikki Whitfield

In the lounge of Patricia Mokoena-Harvey's modest Orlando East home are two features that seem somehow out of place. One is the steel pressed ceiling; the other the facade of a solid wood fireplace.

For more than 20 years, they belonged in the large three-bedroom Sophiatown house she shared with her parents and four sisters. Before they were forced out of their home, the family carefully removed the beloved fittings and installed them in their cramped new Soweto quarters.

They are pointed out as lovingly as the brass bowl on the coffee table which used to be her grandmother's – concrete reminders of a time that existed before it was wiped out by a sweep of apartheid's hand.

The family, installed in their Orlando East home, battled to adjust to their new way of life.

Everything was very different, Mokoena-Harvey recalled. "We had to get used to all being cramped together in a tiny four-roomed house, far from the centre of town where before we could get to the city by catching one tram.

"And in Sophiatown, we were all mixed up together – Sothos, Zulus and Shangaans – in one big cauldron. But here, in Soweto, we had to get to know different customs and strategies."

Mokoena-Harvey, a school-teacher and former journalist with The World, is thankful she was away at college the day her family were made to leave their home. "I'm glad I wasn't there to experience the true horror of it. But afterwards, I lived so much of it through my father."

She is still, she said, umbilically attached to Sophiatown and the people who used to live there.

"Sophiatown was truly ahead of its time; a real rainbow colony with its mish-mash of Indians, coloureds, whites, blacks and Chinese people. I can't drive through the area without feeling part of it still."

She added bitterly: "Breaking up Sophiatown was equal to spiritual genocide."

THYS DULLAART

A time for remembering ... Patricia Mokoena-Harvey weeps as she recalls her days in Sophiatown

She spoke emotionally of her memories of the area dubbed Kofifi by the residents, of the *kwela* music which used to resound through the streets and the gangs which ruled the pavements.

"The two main gangs were the Americans and the Berliners. These were two big groups of streetwise guys who were real natty dressers and modelled much of their behaviour on what they saw in the bioscope.

"But, although boys will be boys, they didn't cause wanton loss of life, like so many people seem to think.

"Mostly, their fights would be about 'cherries' (girls), the ones my mother referred to as show-girls. We, meanwhile, were more naive, still stealing a kiss here and there when no aunties were looking.

"We were five girls living in my house, sometimes surrounded by a sea of boys. We used to live at 10 Gibson Street, but the boys used to call it 10 Downing Street.

"My father would sit on the big old stoep and go over all the boys who came calling for his daughters.

"My mother used to work in Houghton and picked up some of the Houghton airs."

One of Mokoena-Harvey's oldest friends is Father (now Archbishop) Trevor Huddlestone, who was much more than a priest.

"He's my home-boy; a truly good man. When Huddlestone was in charge of the mission in Sophiatown, it changed overnight.

"He got rid of any cattiness that might have been there before.

"He took over Sophiatown... He embraced everybody, whether they were Anglican or not. When the biggest *tsotsi* boy was giving too much trouble, he would put him straight. He got involved all the way. He was a real father."

Would she want to go back if it became Sophiatown again?

"If I could return with a key number of people, if the present residents would let us recreate Kofifi, that atmosphere, the *ubuntu* spirit, then I would go back."

Higher fuel price angers Kenya

CT (BR) 18/1/96 (163)

By Joe Khamisi

Nairobi — The year-old liberalisation of the oil sector in Kenya is under threat of reversal, as authorities and the oil industry wrangle over pump prices

The Kenyan government accuses oil companies of fleecing consumers of a whacking 3,77 billion shillings (about $80 million) in ill-gotten profit since the liberalisation took effect in October 1994

The government claims the money accrued from unfair price adjustments by companies, despite reduction in international crude prices

"These companies are pushing the government to the wall," Darius Mbela, the energy minister, told a news conference last week

"They should not be surprised if we go back to the price controls

"I am giving them a final warning to rectify their behaviour," he said

The wrangle erupted early this month when petroleum firms announced further hikes in pump prices — the second in three months

Eight companies Shell, BP, Kenol, Kobil, Agip, Total, Esso and Caltex, are involved in the importation, refining, distribution and marketing of oil products in the country

South Africa's Engen, together with Castrol and Elf, are not involved in the confrontation because they only import refined oils which are bought by local companies

The feud took a turn for the worse when some trade unions called for the boycott of products from Caltex, the company which spearheaded the latest increases

"Unless the government re-introduces price controls immediately, these companies will continue their unfair behaviour of arbitrarily increasing prices of their products," said Joseph Bolo, of the Kenya Shoe and Leather Workers Union

The oil war has been going on since the government of President Daniel arap Moi reluctantly freed the sector from government control more than a year ago

The wrangle erupted when petroleum firms announced the second price hike in three months

Oil companies claimed that high taxation influenced frequent rises in prices

They cited two instances last year when the government raised taxes substantially but refused to allow companies to pass on the cost to consumers

The government accuses the companies of being greedy

In disputing the latest increases, the government argues that international crude prices were adjusted upwards in December

It takes 50 days to arrange for importation, shipping and processing of crude oil before the product is distributed and apart from Esso and Kobil, the government says, none of the other companies had imported stocks of crude oil during the month of December

None, therefore, had legitimate reasons to increase prices.

The latest confrontation is the first since an oil-price monitoring unit was formed by the government last September to check on fluctuating world prices and their effect on the local market

"Our analysis has revealed that the timing for and the magnitude of the domestic price increase was unjustified," the unit reported

But even more important, the present saga highlights the fragile nature of a strategic industry controlled largely by foreign companies

Out of the eight importing companies, only two, Kobil and Kenol are owned locally

Both are controlled by Nicholas Biwott, a former energy minister and a close Moi ally

Before liberalisation, fuel shortages were common

Importations by the State National Oil Corporation were often erratic and inadequate and dealers complained of stifled profit margins.

Any return to the pre-reform era could have far-reaching implications on an economy now trying to recover from years of inactivity

Kenya uses 240 000 tons of crude oil a month Most of it from the Gulf — Independent Foreign Service

Air safety threatened by corruption in Kenyan skies

JOE KHAMISI (163)
Foreign Service ARG 20/1/96

NAIROBI — Once confined to the ground, Kenyan corruption has reached new heights, engulfing the civil aviation industry, threatening air safety.

Six small aircraft that were used for plying the business and tourist routes have crashed in the past six months alone. Out of the 72 passengers and pilots involved in the accidents, miraculously only two died

Aviation experts blame corruption in the awarding of pilots' licenses and airworthiness certificates

However officials at the Directorate of Civil Aviation (DCA) say pilot error and potholes on the runway cause the frequent crashes

One of the near misses involved 40 French tourists whose plane was forced to crash land in the resort town of Mombasa last November Only three suffered minor injuries in what could have been a major international disaster

Corruption had "reached such epidemic proportions", one pilot said, "that the Kenyan pilot's licence, which was once respected throughout the world, is now hardly worth the the paper it is printed on"

A report, "The Flying Coffins", blames air companies for using fraudulent means to acquire air operators' certificates. Sources say a pilot's license can be bought for a mere $500 (R1 850).

Kenya: every donor's headache

BD 29/1/96 (163)

MICHELA WRONG

INCREASINGLY alienated from its foreign donors, Kenya is anxiously awaiting the outcome of the visit to Nairobi by a joint IMF/World Bank team which has been assessing its record on economic reform

After a year of virtual deadlock between the government and the global lending institutions, the visit has given the authorities a chance to persuade the IMF to release a blocked $220m credit — proving to the public they have the international community's backing — before polls due by next year

The three-year enhanced structural adjustment facility (Esaf) has been on the table since late 1994 However, insiders say the delegation could return to Washington without disbursing it, which would mark the most serious strain in relations since President Daniel arap Moi announced he was breaking links with the fund in 1993

"If they don't conclude an agreement this time, I think we can expect the IMF to go away and put Kenya on ice for a while," said a local economist, who puts the country's chances of clinching a deal at less than 50% "There is a certain fatigue on all sides."

By some criteria, Kenya's economy is doing well. The Asian-dominated business community appears convinced that liberalisation is irreversible, last year's growth is expected to touch 5% and inflation last year was below 7%

However, donor misgivings include doubts about the government's commitment to privatisation and public service reform to alarm over the sudden, unbudgeted outlays that make a mockery of promises of financial transparency

In 1994 it was the decision to build an airport in Eldoret, Moi's home town, a costly white elephant. Last year it was the acquisition of a $50m presidential jet without competitive tender while the road network was in disrepair That purchase prompted World Bank experts to postpone plans to ask their board to finance reconstruction of the key Nairobi-Mombasa road

Increasingly, "political" factors are impinging on decisions once made on economic criteria alone Donors recognise that a free market economy cannot be introduced in Kenya without challenging the privileges of an entrenched ruling party.

IMF officials feel that little has been done to improve internal government policing

Donors responded sceptically to the government announcement recently that four top officials had been suspended in what was described as a crackdown on corruption Those suspended included the head of the Kenya revenue authority, the MD of the Kenya ports authority, the commissioner of customs and excise and his assistant

However, donors have yet to be convinced that it will turn out to be more than a carefully timed gesture

In addition, repression of the opposition has worsened, with the government drafting a Bill that, if passed in its current form, will give it sweeping powers to decide which parties are allowed to stand in the elections

Officials on both sides in Nairobi know that far more is at stake than the $220m IMF facility itself, or the $90m in World Bank structural adjustment credits it would trigger

Although Moi continues to fulminate against foreign diplomats and journalists, the government is anxious for international blessing before the election machine whirrs into action

Officials are aware that if the economy has stood up well to the year-long aid stalemate, reduced inflows in the long run mean a bigger budget deficit, higher government borrowing and a surge in inflation

To make things worse, donors such as Britain, alarmed by the repressive climate in Kenya and frustrated by the lack of dialogue with the authorities, are making aid conditional on Esaf approval

Only a fraction of the $800m pledged by donors at their Paris session in December 1994 has been disbursed and a new session scheduled for last November was postponed because of the hostile climate

"If there is no Esaf there will be no Paris consultative group meeting," says a World Bank official.

If the Esaf is not released, there is bound to be some tough talking when Kenya's country assessment session comes up later this month before the board of the World Bank

The bank is already sitting on several projects and has disbursed only $65m of the $300m in new commitments it promised in Paris

Within the donor community, some feel Kenya is being asked to meet higher standards than other countries in East Africa

As a stable country in a region afflicted by terrible ethnic and tribal conflicts Kenya, they argue, deserves support But this is counterbalanced by growing pressure, at a time of shrinking Western aid budgets, for public accountability and an end to corruption

The IMF representative in Nairobi, Walter Mahler, was cautious: "There is going to be a genuine effort on both sides to reach an agreement, but we expect to see some tough talking"

One diplomat was less encouraging "If the IMF mission does not go back with an agreement, no one in Washington will be crying."

An example of the repressive environment donors are concerned about are the draft proposals to compel local and foreign journalists working in Nairobi to apply for registration or risk jail These have triggered criticism from Kenya's independent Press, opposition MPs and Western embassies and international media organisations The Press Council and Mass Media Commission Bills would oblige journalists to register with a council which could reject, suspend or strike off anyone deemed not to have the right qualifications or to have violated a strict code of conduct The draft law also tightens state control over newspapers, television and radio broadcasters, which could be closed down on the order of a government-controlled commission

The legislation appears to be intended to muzzle the media in advance of the pending elections.

Financial Times

BOOKS

PRESTIGE AT PUBLIC EXPENSE

Moi's R182m jet puts aid hopes in jeopardy

CT 30/1/96 (163)

NAIROBI: The economy has improved, but the population grows and the people become poorer. Prestige government spending is discouraging foreign donors and investors.

WHEN President Daniel arap Moi flew to Uganda last week for talks with other East African leaders, he travelled in luxury aboard a brand-new private jet taxpayers of this cash-strapped country bought last month for about R182 million.

As the jet lifted off, it banked over the rutted and potholed two-lane highway to Mombasa, perhaps the most visible symbol of the dilapidated state of the country's infrastructure

Some opposition leaders and diplomats here say the jet and the road illustrate what is wrong with the government's economic priorities: A long-standing tendency among politicians to let personal prestige outweigh public interest

Moi bought the sleek Dutch-made Fokker at the same time his government was seeking a $50m (about R182m) low-interest loan from the World Bank to fix the road

But government officials argue the expense is justified because in the past the president has had to take one of Kenya Airways' two jets out of service every time he travels

The plane is one of several expenditures not listed in Kenya's budget that have jeopardised aid from the International Monetary Fund, World Bank and donor countries, diplomats and international development bank officials said

Speaking on the condition of anonymity, they said the jet and two other budget-busting projects of questionable worth have come up during talks this month between the government and a joint mission from the bank and the IMF.

The two sides are trying to hammer out a plan for economic reform that would allow the IMF to release hundreds of millions of dollars in blocked aid

Hanging in the balance are $200m (about R730m) in direct aid from the IMF and nearly $166m (about R605m) in loans from the World Bank for roads and other infrastructure projects needed to attract foreign investment.

Only a fraction of the $800m (about R2,92 billion) donor countries pledged to Kenya in November 1994 has been disbursed because of the stalled negotiations, diplomats said Neither the IMF nor the World Bank would comment on the talks

But diplomats and people familiar with the talks say the main sticking points have been the government's inability to stamp out official corruption and the kind of prestige spending typified by the president's new plane.

The government is also spending about R540m to build an international airport at Eldoret, the heart of the president's home state in eastern Kenya.

Parliament never approved the project — the money was tucked away in a special debt service fund in this year's spending plan It was also hidden from World Bank auditors until a newspaper reported its existence.

The government says the airport is needed because of an economic boom in the area.

In another deal done without competitive bidding or legislative approval, the government recently awarded a multi-million-dollar contract to a French company to manufacture identification cards.

Paradoxically, the controversies over the airport and the jet have come to light after Kenya has made big strides over the past three years toward improving its moribund economy

But the population continues to grow faster than the economy, and so Kenyans, with an average annual income of about R4 380, are in reality getting poorer — New York Times

Scared tourists avoid Kenya

CT (BR) 1/2/96 (163)

By Mark Dodd

Nairobi — Few countries in the world can boast Kenya's range of contrasts. The country features tropical palm-fringed beaches, arid acacia-studded desert and snow-capped alpine mountain ranges

Throw in some of the best wildlife parks in the world and the country should be assured of a bounty of rich tourist pickings

But this is not the case Battered by negative publicity about attacks on foreign visitors and decrepit infrastructure, Kenya's tourism business is forecasting lean times ahead

From a meagre 10 000 tourists in 1963, Kenya's annual visitor intake hovers at about 800 000, providing 170 000 jobs and a record $501 million to the national coffers in 1994

But while tourism remains Kenya's top foreign-exchange earner, industry analysts predict modest growth well below the country's potential this year.

Faced with a lacklustre season, many hoteliers and resort managers blame the government for ignoring tourist security and the steady deterioration of the country's roads and power and water supplies

"Two things are needed· massive investment in infrastructure and security, and massive investment in promotion," said a manager of a top coastal hotel

"With these two problems fixed, there's no reason why Kenya shouldn't have an outstanding (tourism) future," he said "Kenya is the world's number one destination for safaris — but the coast is suffering"

His comments were echoed by the manager of another coastal hotel

"Kenya gets a lot of bad press overseas — it's done tremendous harm, but there's no tourist board and we've a bad reputation for client security," he said, asking not to be named "Hotels have had to become self-sufficient in power generation and have sufficient water storage capacity because we cannot rely 100 percent on the infrastructure available"

Tribal riots last year in Nairobi's Kibera slums led to a rash of tourist cancellations Other image-tarnishing incidents, such as last month's hijacking and robbery of a minibus carrying seven Danish tourists to the popular Masai Mara game reserve, reinforced the impression that Kenya is dangerous to visit

The effect of bad publicity was best seen when 1992 earnings from tourism dropped to $295 million from $400 million in 1991 after a spate of attacks on tourists and political violence during elections.

The unsolved murders of British tourist Julie Ward in 1988 in the Masai Mara and of conservationist George Adamson in 1990 highlighted the lack of security in the country's game parks.

Spurred to act, Kenyan police last month formed a special Tourist Police squad in a move hailed as long overdue.

Kenya's tourism chiefs are now faced with stiff regional competition, particularly from the upstart market newcomer South Africa, and have vowed to reverse the country's negative image

Joe Nguru, the chief executive of the Kenyan Association of Tour Operators, said that many people in the West suffered from "collective ignorance" about Kenya "A good case in point was when the Ebola (virus) broke out in Zaire — everybody thought it was contractible in Kenya and it was not," he said

But Kenyan officials who complain about negative press reports have ignored the industry's demands for a professional tourist promotion board with overseas offices to sell the country's charms

Coastal hoteliers reported a profitable Christmas holiday season, but they predicted tough times ahead for the next two years

However, some sources in the industry are quietly confident of a boost in bookings from non-traditional markets such as the former Eastern bloc and well-heeled locals — Reuter

NEW BOSS

The new chief of the military junta in power in Sierra Leone, Julius Maada Bio, salutes as he arrives in Abidjan, Ivory Coast, this week. He visited the Ivorian economic capital for a few hours where he met the country's president, Henri Konan Bedie

PHOTO AFP

The ugly hidden face of racism in Kenya revealed

Star 10/2/96

(163)

By JOE KHAMISI

Nairobi – Racism is outlawed in Kenya, yet the colour bar exists in its ugliest forms on both sides of the racial divide

Although nowhere near South Africa's apartheid, racial discrimination is practised, albeit in a subtle way, by blacks, whites and Indians alike And some of Kenya's leading politicians cannot escape blame for the pervading atmosphere of racial suspicion.

A South African resident in Kenya, Sarah Kearney, wrote to a newspaper recently to complain about the use of the word *mzungu* used derogatorily by blacks to refer to Caucasians

Kearney identified herself as an ANC supporter and lifelong campaigner against race prejudice To most Kenyans, she wrote, the word means "This is the one who will give me, give me, give me, who I can make a quick bob out of; who doesn't understand blacks; not a person, only an *mzungu* "

Kearney, who has been in Kenya for five months, asked whether it was time for a nationwide education campaign about humanity and nonracialism "Or is that too idealistic?" she asked

A swift response from a black reader was as curt as it was churlish "Kearney," he wrote, "should realise this is because of her grandfathers' brainwashing us to believe we are inferior"

"Mzungu," said another, "is not derogatory What's derogatory are words like 'kaffir' used by *mzungus* It's for them to stop, not us "

Thirty-two years of independence in Kenya appear not to have completely healed the wounds of years of colonialism Racial polarisation still exists in workplaces, social settings and even in public facilities such as hotels and hospitals Many believe this is born out of the wide disparity in economic levels between the majority of poor blacks and wealthy whites and Indians

Africans continue to blame whites for colonialism and Indians for being enterprisingly arrogant

Monopolising

Because of their low economic status, most Kenyans perceive themselves, rightly or wrongly, to be biologically inferior They see whites and Indians as monopolising the houses, jobs and food while they labour hungrily, fuelling racial disharmony and sometimes physical brawls For example, last month workers at a tourist hotel implored the government to deport an Italian investor for referring to them as "dogs of Africa" The government did not respond Reports of white-owned hotels barring entry to blacks have circulated for years

Although on the surface Kenya is regarded as one of the most racially harmonious countries, ugly incidents over the years have shown the truth to be otherwise President Daniel arap Moi, for example, does not hide his disdain for whites He considers Dr Richard Leakey, a budding opposition politician, to be an *mzungu*, a "racist" and a "colonialist" Similar sentiments have been voiced by others in government – Independent Foreign Service

Discord surfaces in Kenya's opposition alliance

Nairobi – Signs of discord within Kenya's opposition alliance, Muungano wa Ukombozi (Union for Liberation), came to the fore this week with the suspension of anthropologist Dr Richard Leakey from its secretariat following criticism of the alliance by Leakey's party, Safina.

Muungano's Inter Parties Committee asked Leakey to choose between loyalty to his party and loyalty to the opposition alliance, saying he had a conflict of interests

The move came hot on the heels of a Safina press statement that sharply criticised the opposition alliance

Safina's statement, which slammed the direction, composition and leadership of Muungano wa Ukombozi, was signed by Leakey (secretary-general of

RICHARD LEAKEY: Asked to show where his loyalties lie

the as yet unregistered party), chairman Kigano Muturi, treasurer Njeri Kabeberi and parliamentarian Paul Muite

Arguing that the alliance's aim should be to seek a "level playing field" rather than a single presidential candidate, Safina proposed the introduction of "pro-democracy elements" from civil society, including non-governmental organisations and religious groups

The statement also accused the alliance's leadership of being 'self-imposed", having "failed the electorate in the 1992 elections", and called for new, "politically neutral" leadership

Safina said that while it was committed to a united opposition – as outlined in its statement of intent of May 1995, which explicitly allows for the formation of coalitions with other parties – it would "restrict" its participation in the alliance until its demands were met

In response, the Inter Parties Committee rejected Safina's criticism – Sapa-IPS

Star 10/2/96 (163)

Kenya's opposition parties return to SA

(163) Star 11/2/96

Independent Foreign Service
Nairobi

Opposition parties in Kenya appear to have found a new friend in the African National Congress

Yesterday a group of Kenyan opposition leaders made a return political visit to South Africa – the second in six months.

The first visit took place in July 1995 when James Orengo, vice-chairman of the official opposition party, Ford-Kenya, held meetings in South Africa with ANC leaders, among them Walter Sisulu

But unlike the previous one, which involved only Ford-Kenya members, the latest delegation comprises three leading opposition groups

They are travelling under the umbrella of the recently founded Kenya Opposition Alliance which aims to defeat Moi in the 1997 elections

But the six-day trip has raised questions here about Pretoria's motives in hosting the Kenya opposition

It has also brought into focus the broader issue of Kenya relations with South Africa considered by many Kenyans to be less than cordial

"We are certainly concerned that the ANC has chosen to host the opposition before meeting with Kanu," one ruling party official who requested anonymity said

"But the ANC like Kanu is at liberty to meet with any group or person it wants"

Kenyan opposition parties do not hide their admiration of South Africa's political system They admit to being particularly impressed by SA's power-sharing arrangement even after the ANC had secured 62% of the vote in the 1994 first all-race elections

They compared Pretoria's experiences to Kenya's 1992 first multiparty election in almost three decades In those polls, Moi won only a paltry 35% of the vote in a winner-take-all arrangement

But it is the broader issue of bilateral relations between the two countries that appears shrouded in mystery

For example Dries Venter, the career diplomat who opened the Nairobi mission four years ago quietly left Kenya in mid-December without making the usual diplomatic farewells

Kenyan officials argued Venter was not an accredited head of mission and the usual diplomatic norms accorded departure did not apply

Several incidents during the past year have raised doubts about relations between the two countries

Last April, the Kenya government found itself greatly embarrassed when no cabinet minister showed up to the greet President Mandela on his arrival at Nairobi airport while in transit

A low-ranking foreign ministry official eventually arrived 15 minutes late

A month earlier, Foreign Minister Alfred Nzo found himself in a similar predicament

During a visit to Kenya, the ANC leader infuriated Kanu officials when he slighted Moi's government for being insensitive to the former Kenyan freedom fighters

Mandela was angered when he heard that the widow of Kenya's leading freedom fighter, Dedan Kimathi, was living in poverty

The sudden expansion of trade has also brought new problems Kenyan leaders often grudgingly complain of "dumping" of sub-standard SA goods and of the huge disparity in balance of trade in favour of Pretoria

In 1994 the difference in trade was close to tenfold Kenyan officials say by offering subsidies to exporters, SA is not playing fair.

But political observers see last October's allegations by Moi of South African alleged involvement in a destabilisation campaign as the biggest blow to bilateral relations

Moi claimed South African mercenaries were on their way to Uganda to link up with elements planning to topple his government – a claim vehemently denied by South Africa

The Kenyan leader provided no evidence and many commentators saw the outburst as simply an exercise in shadow-boxing

Observers think that by agreeing to host Moi's detractors, the ANC may be sending out a message of its displeasure with Nairobi

Kenyan economy grows as donors apply pressure

(163) CT (BR) 13/2/96

By Joe Khamisi

Nairobi — Kenya's economic growth rate surged 2 percent to reach 5 percent last year

The country has battled to reduce a gaping budget deficit and increase its balance of payments position, as well as earn improved export receipts

The donor community has pressured Kenya to reduce expenditure, increase revenue and curb corruption

On February 2, the Kenyan government announced a mini-budget to collect almost $120 million for the exchequer

The move is aimed at reducing the budget deficit from about 3 percent to 1,9 percent of the GDP and contain growth in money supply, now running at more than 20 percent

The mini-budget involved an increase of up to 30 percent in excise and import duty rates for petroleum products

Measures were also announced to increase fines and penalties for tax defaulters and streamline tax-exemption procedures

But to maintain a stable microeconomic environment, Micah Chiserem, the governor of the Central Bank of Kenya, said an 8 percent growth rate should be achieved

He said the high growth rate would promote growth in domestic savings, attract foreign investment and help double the per capita income of $270 by the year 2000

It would also ensure stability of prices, interest rates, wages and exchange rates, said Chiserem

Kenya has suffered from the lack of international confidence caused by political uncertainties and a poor image abroad

Foreign investors and tourists avoided Kenya last year, following reports of rising crime and general political uncertainty

Kenya was on a black list of donor nations until early this month, when the World Bank announced two credits totalling $165 million The country received no aid between 1991 and 1993

Lenders pledged $850 million for projects and balance of payments support two years ago, encouraged by President Daniel arap Moi's economic reforms

Only about half that amount has so far been disbursed, mainly by the World Bank and the Japanese government

Other lenders are unsure about the country's political liberalisation

Since the end of 1994, Moi has promised a new political direction, with emphasis on an open political climate But this has not been forthcoming

Donors have demanded more press and broadcast freedom, political consultation on constitutional reform, a freer judiciary and registration of political parties and non-government organisations

The hallmarks of the regime continued to be torture of suspects, oppression of political activity and muzzling of the press

The latest World Bank aid has boosted Moi's government The money will be used mostly for rehabilitation of infrastructure and development

World Bank officials said it could take three to seven years to release the funds It depended, they said, on whether the projects were implemented and the absence of irregularities in the use of foreign donations

Moi has another headache in store

A group of US congressional leaders on January 29 introduced an initiative in Congress to deny Nairobi about $18 million in economic aid and $1 million in military support

They said this was to punish Kenya for alleged human rights abuses

Although US aid to Kenya is not substantial, any adverse signals from Washington could result in other donors withholding funds

What Kenya has awaited anxiously is the result of negotiations with the IMF

Last month, an IMF mission visited Kenya to assess economic and political progress and to discuss a $200 million balance of payments facility requested by Nairobi two years ago

The mission left for Washington on January 27

Its report will form the basis of the donors' consultative meeting in Paris

The meeting should have taken place in November but was postponed to allow the Kenyan government to complete a policy framework paper to be tabled at the meeting, now scheduled for March

Kenya's future relations with donors will be determined by the success of that meeting — Independent Foreign Service

Moi's anti-corruption drive could backfire on his family

(163) Star 17/2/96

By JOE KHAMISI

Nairobi – Kenyan President Daniel arap Moi has launched an unprecedented campaign against corruption in the tax sector.

But, observers say, if the drive is handled badly, it could boomerang and entangle avaricious members of his own family

Moi's two sons, Jonathan and Gideon, have been involved in imports and exports through the port of Mombasa amounting to millions of rands every year

No one has come up with proven evidence to link the two in a new scandal which has rocked the country, but port sources say the family have taken advantage of their position to import a wide range of goods, including luxury four-wheel-drive vehicles, duty free

Purged

About 24 senior government officials and businessmen have been sent on compulsory leave or arrested in the past two weeks They were allegedly involved in a car manipulation scandal that, analysts say, cost the government more then R570-million a year in lost tax revenue.

Among those purged were the commissioner-general of the Kenya revenue authority, Edgar Manasseh, his counterpart in the customs and excise department, F Cheruiyot, the managing director of the port of Mombasa, Simeon Mkala, and Asian motor tycoon Manish Shah, who is owner of the Daewoo dealership in Nairobi

Some media reports say heads began to roll when Uganda's President Yoweri Museveni complained to Moi on January 18 about the seizure and sale at throw-away prices of five Toyota Land Cruisers The vehicles, worth more than R1,5-million, belonged to Ugandan churches

The revelation came as reports emerged that 1 228 cars had disappeared from the port on the eve of a much-publicised auction of unclaimed vehicles

BID TO CURB GRAFT: President Daniel arap Moi

Some senior port-security and customs officials were reportedly linked to the disappearance of the vehicles

Moi is one of the region's wealthiest leaders He has extensive interests in agriculture, shipping, transport and real estate The family empire is controlled through a maze of companies and trusts

Early last month, a newspaper reported that Moi, in anticipation of retirement, had subdivided his 19 000ha farm at Kabarak near Nakuru for his four sons and two daughters

The report indicated the Kenyan leader had bought a 4 000ha farm further west in Eldoret Such land wealth is beyond the imagination of most Kenyans trying to survive in one of the world's poorest countries Most rural Kenyans own less than 5ha of land

So far, opposition leaders have complained only that "sons" of a powerful politician were involved in the corruption at the port The leaders called for their immediate arrest But the government has remained mum over the allegation, fuelling further speculation

Speculation

"The government should go for the big fish who were responsible for corruption at the port," opposition MP Professor Anyang Nyongo said

Reports of massive corruption at the port of Mombasa have circulated for years By using false customs forms, importers routinely collude with corrupt officials to avoid paying taxes and duty

In one case last year, officials used forged receipts and stamps to defraud the government of millions of shillings on cartons of cassettes In another report, 350 containers belonging to former Rwandan officials killed during ethnic strife in their country disappeared They contained goods worth about R130-million – Independent Foreign Service

Coffee hybrid may brew up a storm

CT (PK) 21/2/96 (163)

By Manoah Esipisu

Nairobi — Leading coffee traders and roasters were warned yesterday against marketing reforms and new hybrids that would compromise quality by coffee delegation leaders from Germany, Sweden, Norway and the United States at the end of a four-day tour of Kenyan farms, estates and mills

"We have learned that Kenyan coffee in the future may be from the (new hybrid) Ruiru 11 That is worrying us It (Ruiru 11) is not up to the quality we pay for," said Willy Pettersson, the leader of the Swedish delegation "If you will plant too much of Ruiru 11, we may have to substitute Kenyan coffee with others," he said

Ruiru 11 was launched about a decade ago and accounts for only 5 percent of Kenya's annual output But the state Coffee Research Foundation has said smallholders wanted to increase their acreage under Ruiru 11 to maximise output Kenya's 300 000 smallholders account for 120 000 of the country's 160 000ha under coffee The rest of the land is managed by big estates, which have overwhelmingly rejected Ruiru 11

Rudolf Krapf of the German delegation said consumers wanted the Kenyan authorities to maintain stable farm policies and ensure that farmers did not uproot coffee

"Quality gets its own prices If quality can be maintained, we will be willing to pay for it," Krapf said

Martin Diedrich, the leader of the US delegation, said experiences in other countries showed new hybrids and other reforms were made at the expense of quality, and international roasters were concerned that Kenya should not fall into that trap

"This is alarming us When we hear about these things we are concerned," Diedrich said

Krapf also urged Kenya to maintain the auction system, saying he would not want to see farmers selling coffee to Germany in private treaty deals "The auction system gives Kenya flexibility in offering quality coffees That is something Kenya really should keep up It helps farmers obtain the best price," he said.

Estates in Kenya have demanded that growers be allowed to sell their coffee both by auction and by private treaty

But Pithon Mwangi, the chairman of the state-run Coffee Board, said "All farmers here have overwhelmingly rejected sales by private treaty and it will not be implemented in Kenya in the foreseeable future"

The board forecast production at 100 000 tonnes in 1995-1996 (October-September) compared with 90 000 tonnes in 1994-1995 — Reuter

Kenyan universities are 'silently dying'

BD 21/2/96 (163)

Own Correspondent

NAIROBI — When Kenyan academics meet to discuss the state of the country's public universities, they normally do so in secret.

Their union is banned, its leaders have been sacked from their university posts, others have been arrested for holding illegal gatherings, or intimidated into silence.

But those still brave enough to criticise the system say universities are in danger of collapse because of the suffocating effect of heavy-handed government interference.

"This is the lowest we have ever sunk to," said Kivutha Kibwana, law professor at Nairobi University, where he has taught for 20 years. "Nothing meaningful goes on here any more, no research, no scholarship, no teaching. To call it a shell of an institution is too generous. It's a ruin."

As chancellor of all five public universities, President Daniel arap Moi appoints the vice-chancellors, the senior administrators, who in turn control a bureaucracy reaching down to every department.

Most faculties have dispensed with elections for dean because of pressure from above. Last August, Kibwana, dean of the law faculty, was arrested and manhandled on campus by a dozen policemen after discussing politics with two former students over tea in the senior common room. He later resigned as dean in protest. Elections for his successor were then annulled by the vice-chancellor.

On top of the academic frustration, poor salaries are a source of bitterness. A senior lecturer's pre-tax earnings are less than £2 000 pounds a year. "Even buying a shirt is a family decision," said Smokin Wanjala, a senior law lecturer. Many have opted to supplement their incomes in moonlighting activities ranging from consultancies to running a kiosk.

Students say they miss up to a third of all teaching hours as many lecturers put in only "technical appearances", arriving late, if at all, and leaving early to pursue their outside interests.

Despite a $55m World Bank investment project, there is not enough money to sustain basic facilities. Chalk and paper are usually unavailable; some lecturers pay their own office telephone bills. Books in the libraries are mostly outdated and many of the shelves are empty.

Movements for change continue to be frustrated by the government. A nine-month strike by the Universities Academic Staff Union was crushed in September 1994, after 24 of its leaders were dismissed, evicted from their university houses, and some arrested.

Moi publicly declared the union illegal.

Staff union chairman Korwa Adar, one of those sacked, now faces criminal charges of addressing an illegal meeting and inciting students to violence in February 1994. Court cases filed by the union challenging the government's refusal to register the union and its dismissal of the lecturers have been thrown out or deferred.

Gibson Kamau Kuria, one of Kenya's most distinguished human rights lawyers, said: "These cases are a clear indication that the government is not telling the truth when it says it is committed to political reforms." Since the strike fear and despondency have set in. One lecturer said: "We were fighting for better standards of education and for the integrity of this place. Nobody dares make a noise now, and I would not go through all that again. There's been a silent death of the universities."

The malaise has spread to the 40 000-strong student population.

University closures are frequent and have caused chaos in the academic calendar. Police are permanently based on all campuses and do not hesitate to use violence to quell student unrest.

Education Minister Joseph Kamotho says: "There is absolute freedom of movement and freedom of research, there is no muzzling whatsoever of academics in this country," he said. "They (the union) are part of the opposition and that is why they make so much noise." — © Telegraph plc.

Nigerian minister rules out talks

BD 21/2/96

WINDHOEK — Nigerian Foreign Minister Tom Ikimi yesterday ruled out talks with the Commonwealth on his country's suspension from the organisation.

He also said Nigeria's military ruler, Gen Sani Abacha, would visit Namibia "at a time appropriate" in response to an invitation last year by Namibian President Sam Nujoma, but gave no details.

Ikimi, on a two-day visit to Namibia, said his government rejected what he termed the "infamous decision" by a Commonwealth Heads of Government Meeting in November to suspend Nigeria after author Ken Saro-Wiwa and eight other activists were executed on November 10, the eve of the Commonwealth summit in New Zealand.

Ikimi said his government would not meet members of an eight-nation committee of Commonwealth foreign ministers to monitor Nigeria's adherence to democratic principles.

Five committee members — the foreign ministers of Ghana, Jamaica, New Zealand, Malaysia and Zimbabwe — have been hoping to visit Nigeria for talks on a return to democracy. The other members are Britain, Canada and SA.

Ikimi, who arrived in Namibia on Monday, said he had brought a personal message from Abacha to Nujoma, thanking the Namibian leader for "his understanding of the Nigerian situation".

Nujoma went along with the Commonwealth decision to suspend Nigeria, but has refused to condemn the hangings, maintaining that Nigeria is "a friendly country".

Ikimi, who was due to leave Namibia late yesterday for Botswana, is on a tour of southern Africa in a bid to "enlighten" countries. "If administrations such as SA's become more aware of the facts of the Saro-Wiwa saga, they will modify their views," Ikimi said, referring to SA's leading role in the campaign to impose sanctions against Nigeria.

Ikimi will also visit Mozambique, Swaziland, Zimbabwe and Zaire before arriving in Addis Ababa for an OAU council of ministers meeting from February 26 to 28. — Sapa-AFP.

AFRICA

Kenya Airways to offer shares at bargain price

CT (BR) 21/2/96 (163)

BY MANOAH ESIPISU

Nairobi — Kenya Airways was set to follow other successful flotations by offering its shares relatively cheaply to attract small investors, market analysts said yesterday

In the four weeks between March 25 and April 19, 51 percent of the company, or 235 million shares, will be offered on the Nairobi stock exchange The price a share could range between 12 shillings and 15 shillings (81c — R1)

"That formula has never failed. Both individual and institutional investors jump on the bandwagon if the offer price is low enough," said Edgar Wamalwa, an investment analyst at Loita Asset Management.

He cited last year's sale of National Bank stock, which was oversubscribed three times because of a discounted offer

Renée Blasky, a financial analyst at Middle Africa Investments, said "I think the government wants to interest a large investor base as well as maximise the revenue"

The government stands to earn between 2,82 billion shillings and 3,52 billion shillings if the share offer is taken up

Kenya Airways said that the flotation would allow all interested Kenyans to participate in the future success of the national airline and ensure that a majority of shares were held by Kenyan citizens

The flotation of a 51 percent stake is the second phase of privatisation after the sale of 26 percent to Dutch national carrier KLM for about 1,5 billion shillings

The KLM-Kenya Airways agreement aims at management co-operation, integration of routes and joint purchase of supplies, with the aim of tapping new markets in sub-Saharan Africa

Kenya Airways made a profit of 450 million shillings in 1993, the first since its launch in 1977 But the airline was weighed down with debts of about 883 million shillings Profit rose to 868 million shillings last year and the government said it would take over its debts

Blasky said the 1993 profit was the result of exchange rate movements rather than operational prudence The shilling dropped as low as 83 against the dollar in 1993 — it is presently at about 58 shillings — and companies which charged for their services in hard currency made foreign exchange gains.

It was not known what percentage of the cash would go to debt financing and what amount would be used to revamp the company — Reuter

TRADE BOOST *The US Secretary of Commerce Ronald Brown arrived in the Ivory Coast on Sunday on the first leg of a five-nation tour aimed at boosting US trade in sub-Saharan Africa He will also visit Ghana, Ke... Uganda and Botswana Here he is seen with a trader at the Abidjan Stock Exchange* PHO...

Protected Kenyan Asians face courts

(163) CT(BR) 28/2/96

BY JOE KHAMISI

Nairobi — Shivers have gone through Kenya's wealthy Asian community as its members find themselves on the wrong side of the law, often after years of protection offered by their close connections to politicians

Five leading entrepreneurs of Asian origin have appeared in the Kenyan courts over the past month to face charges of fraud and tax evasion. They joined several other highly placed Asians awaiting trial on charges of theft, drug trafficking and kidnapping

The five were netted in an unprecedented crackdown on corruption ordered by President Daniel arap Moi in January

Among the Asians on trial is Kamlesh Pattni, who was charged with stealing nearly R500 million from the government His trial began in 1994

Pattni owned a gold and diamond firm, the Goldenberg International, and the Exchange Bank The authorities have shut his companies down

Along with four former senior officials at the central bank, Pattni is charged with obtaining money through an export compensation scheme for gold and diamond exports that officials say never existed Pattni's case is attracting investors' attention, and is often cited to illustrate the government's chronic financial mismanagement

The traditionally protected Asian community now appears to be exposed to the rigours of Kenya's rough justice system

Never before have so many Asians landed in court

In 1993, the billionaire banker, Alnoor Kassam, escaped arrest and fled overseas after the government detected irregularities at his bank

Kassam was among a small group of Asian tycoons said to enjoy close relations with the ruling clique He fell victim to boardroom battles pitting him against some of Moi's closest aides

Many believe he escaped by bribing senior security officials

In the latest crackdown, more than 20 senior officials at the port of Mombasa and in the private sector appeared in court earlier this month on charges of corruption.

Among them were Manish Ramniklal Shah, a successful tyre dealer and Daewoo franchise owner, his production manager, Babu Hirilal Mavadva, and Muzahim Salim Mohammed, also a motor dealer They were charged with tax evasion at the port

Syed Mohammed Massoud and Jagnash Thakorbhai Patel were caught with uncleared goods in Nairobi The scandal was exposed after hundreds of unclaimed cars that were to be auctioned by the government auction disappeared from the port An investigation revealed a duty and customs evasion scam said to deprive the government of millions of dollars

'It is obvious that there is a dangerous liaison ... to loot the country'

But it is the presence in court of such powerful Asians that is raising eyebrows

Tom Mshindi, a columnist, wrote on January 16 that the arrest of so many Asians was intriguing, given their elevated connections

"It is obvious that there is a dangerous liaison between unscrupulous businessmen of the dominant Indian community and well-connected locals to loot the country either by outright theft, unfair deals or by denying the government tax"

But in a country where corruption is a way of life, the Asian suspects are still able to enjoy special treatment, even in the police cells

In its editorial of January 14, the East African Standard said the Asian suspects received special treatment

"Other accused persons don't get a police ride to go home and change a shirt while in police custody, nor get a human shield of warders to guard against press photographers"

One suspect was reportedly accommodated in a "luxurious" cell at the airport outside the city. — Independent Foreign Service

Kenya turns to Singapore

(163) CT(BR) 11/3/96

By Joe Khamisi

Nairobi — Less than a year after announcing plans to turn Mombasa into a free port, the Kenyan government has turned to Singapore for help to streamline its badly-run, corruption-infected Kenya Ports Authority

A formal two-year contract will be signed giving officials of the Singapore Port Authority the go-ahead to manage and operate the port's container terminal

Robert Brenneisen, a Swiss-born Kenyan mechanical engineer, was recently appointed to prepare the port for duty-free status

Observers see the agreement with Singapore as the first fruits of a tour of Asia by the Kenyan leader Daniel arap Moi last year.

Singapore is one of the most efficient ports in the world, capable of handling 600 ships at any one time. The Singaporeans are expected to transform the manually operated Mombasa into a state-of-the-art operation.

Mombasa serves the landlocked countries of Uganda, Rwanda, Burundi, parts of Tanzania, Zaire and southern Sudan However, it has been hobbled with problems ranging from lack of reliable equipment to theft of goods in transit and corruption— 25 senior port officials have been charged with fraud — Independent Foreign Service

Kenya imports yellow maize to replace white maize exports

EJ(BR) 11/3/96 (163)

By Joe Khamisi

Nairobi — Just as thousands of bags of maize are being exported abroad, large quantities of the staple are arriving in Kenya, apparently to bridge a major shortfall in the production of the commodity

About 4,4 million bags (400 000 tons) of maize was exported by Kenya last year, mainly to southern Africa Last month, 1 million bags left the country

During the past few weeks, thousands of tons of yellow maize from the United States has arrived at the port of Mombasa. The paradoxical scenario is baffling Kenyans especially, because they will be forced to eat the US yellow maize, which they dislike, instead of the preferred white variety

A few months ago, the United Nations Food and Agriculture Organisation warned Kenya of a looming famine because of a food shortage arising from poor yields last season.

In another warning, a report by the regional intergovernmental authority on drought and development said the country needed 10 million bags (918 000 tons) of maize to prevent widespread hunger The regional authority comprises Kenya, Uganda, Djibouti, Eritrea, Ethiopia, Somalia and Sudan

But the warnings were ignored Instead, the national cereals and produce board went ahead with the export sales, with government approval. The board was, however, instructed to maintain a strategic reserve of 3 million bags

Questions are being asked about how the Kenyan government could allow maize to be exported when the country faced an emergency

Observers think the people who were involved with the exports may be the ones importing yellow maize

"This is obviously a case of someone creating an artificial shortage for monetary gain," one source said

Three foreign companies were given contracts to export maize These were the Rotterdam ~~company~~ Glencore Grain, International Commodity Dealers of the United Kingdom and Tradex of Ireland

Most of the maize was destined for southern Africa to assist with famine conditions before the recent rains But the process appears to have backfired

The Kenyan government has refused to respond to calls for an explanation

Khalid Mwavumoan, an opposition member of parliament, said "The strategic national food reserves are still below the security levels and owing to bad weather, there will be a crisis"

Newspaper editorials and commentaries have hinted at corruption in the handling of the maize issue Others have claimed that the government planned to use food as a weapon in its war against the opposition in the run-up to next year's general elections

In the north and northeast, where famine has persisted for years, evidence has emerged that only supporters of the ruling party have benefited from food handouts Already, millions of people in the arid north and north-east of the country have sent out a plea for food aid — Independent Foreign Service

Kenya attempts to end age-old feud between Masai and elephants

Nairobi, Kenya – There is no love lost between Marika Lonkoijoo, a 24-year-old Masai, and the elephants who ramble at night through his farm on the dusty range beneath Mount Kilimanjaro and feast on his tomatoes, onions and corn.

Tourists flood into nearby Amboseli National Park to see the huge beasts, but to farmers like Lonkoijoo they are a destructive and sometimes deadly menace. "When these animals come," he said, "they just eat everything There is nothing you can do."

But now Lonkoijoo and other hard-bitten Masai have joined in an experiment that Kenyan wildlife officials hope will end the ancient war between wildlife and man on these dusty plains where elephants, lions and water buffalo roam in the shadow of snow-capped Kilimanjaro

They are experimenting with a for-profit game sanctuary run by local tribesmen. Recently, the leaders of the Masai living on a co-operative ranch next to Amboseli opened the first "community wildlife reserve" next to Lonkoijoo's farm The Kimana sanctuary will funnel its profits directly to about 840 Masai families living on the ranch

The Kimana sanctuary is part of a larger effort by Kenya wildlife officials to reverse the 30% decline in wildlife over the last two decades, by persuading rural people that they have more to gain by protecting the animals than by killing them.

The wildlife is the lifeblood of the tourist industry, this country's largest earner of foreign exchange.

Turning Masai lands into for-profit game parks is an approach championed by David Western, who took over as the director of Kenya Wildlife Services in 1992.

Western replaced Dr Richard Leakey, the well-known paleontologist. Leakey is widely credited with stamping out poaching, but was dismissed after some government officials accused him of overlooking the needs of impoverished landowners in favour of conservation

Western argues that the national parks can no longer stand alone ecologically

He formed the Community Wildlife Service, which encourages the Masai and other nomads and farmers to turn to what he calls "conservation for profit"

The problem facing conservationists, he maintains, is that more than 75% of Kenya's wildlife ranges outside the public reserves, wreaking havoc on farms and ranches near the parks

In the 1980s the killing of wildlife by Masai and other tribes who lived in buffer zones around the parks escalated as their frustration grew over the damage and the fact that they reaped little revenue from the tourist trade.

"The biggest ignored issue is the cost of wildlife to the landowner," Western said "The people have to be the custodians. You expect them not to kill the animals, but they don't have any direct benefit"

But it remains to be seen if the Kimana Community Wildlife Sanctuary, financed by the US Agency for International Development, will bring in enough revenue to persuade other co-operative ranches near parks to establish their own reserves.

In its first week of operation, the sanctuary attracted just 17 tourists, each paying $10 (about R38) to enter

Paul L Ole Nangoro, the chairman of the Kimana Group Ranch, estimated the park must attract about 13 000 in the first year to win over the doubters in Kimana – New York Times News Service.

(163) Star 14/3/96

Draft Bills cause angst among Kenya journalists

(163) Arav 26/3/96

Newsmen and women would have to be licensed, have specific training and work for controlled organisations

Draft bills put forward by Kenya's attorney-general, if enacted, "will deal a fatal blow to press freedom in this country", says Alex Belida, chairman of the Foreign Correspondents' Association of East Africa.

Nairobi's FCA is not alone in expressing its disgust at the Bills which would force journalists to be licensed, to have specific training and to work for Kenyan-controlled organisations.

The considered opinion of the European Union, invited to pass comment on the draft Bills, is couched more carefully but the message is the same.

"The intent and the clauses of the two Bills seem far removed from the protection of press freedom and freedom of expression" and their approval "would inevitably be perceived as a major backtracking from any democratisation effort", the EU says.

Kenyan journalists have been less reticent and gave Attorney-General Amos Wako a rough ride at a recent seminar on the issue. But their criticism is nevertheless tempered by an awareness of Africa's special difficulties.

Accusations that the government was acting in "bad faith" flew thick and fast at the seminar, and comparisons with Nazi Germany were heard.

A former judge, rejected Wako's assurance that Kenya's parliament would not pass laws in conflict with the constitution. It had already done so on several occasions, he said.

The Nation, the country's most influential newspaper, published an allegation from a clergyman that the government wanted the Bills passed in order to win the next election in 1997.

"There is an obvious intention to muzzle the press," says Tom Mshindi, The Nation's managing editor, speaking in his personal capacity.

Mshindi believes there are more than enough laws on the books to curb journalistic excess and that new legislation is redundant. Police are already empowered to enter his offices, he says.

He highlights the Bills' requirements of "moral uprightness" and asks what it means. In addition, the Bills target journalists as individuals, instead of the organisations they work for.

> "Obvious intent is to muzzle media before next elections"

However, he believes some restraint is necessary, rejecting the "no-holds-barred" style of Western journalism as inappropriate to African conditions.

"We have fragile political structures in Africa, so probably we can't afford this," he says.

The Nation pursues what he calls a "conservative line", by which he means that certain respect is shown to national institutions, that responsibility is required and that "the national interest" has to be given its due.

Certain other issues have to be treated with sensitivity, he adds, mentioning in particular tribalism, regarded by many African intellectuals as a divisive and negative force.

Mshindi is appalled at the way some Western journalists go after their heads of state and how some prominent figures are given no respite, the Princess of Wales, for example.

The distribution of pornography under the banner of freedom of speech also finds little sympathy with him.

Mshindi acknowledges Kenyan journalists are at least partly to blame for the confrontation with the government.

An attempt initiated by The Nation a few years ago to establish a professional body to regulate the profession from within faltered as a result of infighting.

Foreign journalists – all the major agencies maintain bureaux in Nairobi from where they cover the region – are outraged at provisions that would require Kenyan control of news organisations.

"It would at the very least be unusual for one country to tell the media of another what kind of people they may employ," was the EU's comment.

In response to the furore, President Daniel Arap Moi has ordered the Bills shelved, but the Nairobi Press Corps is less than happy with this. "We want this legislation killed, not just shelved," Belida told the seminar.

But Mshindi doubts that this is possible. Kenyan journalists will be engaged in a continual battle to assert their freedoms in a way that is more sensitive to their social and political environment than those allowed their Western colleagues, he says. – dpa Features

Tip-top tea production in Kenya

(163) ARG 28/3/96

NAIROBI – Power cuts, crime and unfavourable exchange rates are all hurting Kenya's tea sector but growers still forecast a rise in output that would make Kenya the world's second-largest, black tea producer

Musa Sang, chairman of the powerful Kenya Tea Growers Association, said yesterday he saw production in 1996 marginally higher than 246 million kg, just above the 1995 record of 244 million kg

This would be higher than Sri Lanka's annual production of black teas and would make Kenya the second largest producer of such teas behind India, he said

Tea is Kenya's top commodity export and stands behind tourism in foreign-exchange earnings.

Mr Sang said the 16,8 percent rise in Kenya's tea output in 1995 had caused an imbalance in the world tea supply, with the result that prices fell steadily throughout the year

"Many (Kenyan) producers were selling tea below their cost of production, a position exacerbated by the continuing strength of the Kenya shilling," Mr Sang said

He said 1996 had started on a more optimistic note for producers, as prices had been firmer – Reuter

White elephant molasses plant to be sold

By Joe Khamisi

Nairobi — A multimillion-dollar Kenyan molasses plant destined to be the biggest in Africa goes under the auctioneer's hammer next month, ending years of acrimonious political wrangling over its viability

The Kisumu molasses plant was built almost 20 years ago by the Kenyan government with the help of international lenders

The cost then was 4,4 billion Kenyan shillings (about R299 million) But it never opened and never produced a pint of power alcohol — its intended main product

The plant became a victim of official corruption and political interference that have caused the dormancy or collapse of several government-built enterprises

Government officials inflated the costs of tenders and materials to a point where it was considered too expensive to continue with the power alcohol plant Kickbacks were paid to officials who bought and installed inferior equipment

Now the government has to find money to repay $3 million borrowed from the Union Bank of Switzerland and a Swiss process engineering company

Kenyan officials said it would take seven years to repay the loans at the rate of 250 million Kenyan shillings annually

The Kisumu plant was built in 1977 as a multi-product chemical industry

It was meant to produce 20 million litres of power alcohol a year, 3 000 tons of citric acid, 1 800 tons of bakers' yeast, more than 2 000 tons of vinegar, and about 7 000 tons of oxygen

The government pumped 102 million Kenyan shillings into the project before it stalled

But now expensive machinery and heavy-duty vehicles are rusting away in the humid town on the shores of lake Victoria

In 1989, the government appointed EF Scheaffer consultants, a United States company, at a cost of 3,2 million shillings to study a possible revival of the plant

The consultant's report said the government would suffer huge losses if it injected more money into the project

The report apparently prompted the government to dispose of the plant altogether

This month, the auctioneers announced that the sale would be conducted on April 15 It would be sold either as a whole or be broken up in lots — Independent Foreign Service

(163) CT(BR)29/3/96

Kenya's beaches feeling the heat as crime and pollution take their toll

(163) ARG 30/3/96

Kenya's beaches are battling development and competition from South Africa's booming tourist industry, writes JOE KHAMISI, of the Independent Foreign Service, in Nairobi

KENYA'S once-beautiful beaches are under siege from soil erosion and pollution

Government officials are warning that beach tourism could collapse entirely if action is not taken to reverse the damage to the ecosystem

"If pressure on resources goes on unabated, thousands of people employed in the tourism industry and its related activities might lose their jobs," said a recently released report by the Coast Development Authority (CDA)

The CDA, which charts development along the Kenya coast, said the once pristine beachline was being degraded at an alarming rate through unplanned development and pollution

Food kiosks have mushroomed along the beach while basic amenities such as toilets are non-existent

One stretch on the north coast, once reputed for its coral reefs and mangroves, now faces shorefront erosion This has prompted some hotels to put up sea walls, but this has reduced the beach space

The report has come at a time when the government – grappling with problems of poor promotion and adverse publicity abroad – is trying to come to grips with the significant reduction in the number of visitors over the past two years

Experts are predicting a drop of as much as 40 percent in the number of visitors due to widely publicised reports on crime and many deaths on Kenya's heavily potholed roads

Experts also say the entry of Namibia and South Africa into the Africa tourism map – both offering competitive rates – is also a factor

Many believe Kenyan safari packages are overpriced compared to its competitors

"South African operators have received tremendous support from their government despite the fact that Johannesburg has such a high crime rate," said Mr Bernard Kaimenyi, an executive for Lonhro hotels

Beach tourism accounts for 60 percent of the 800 000 visitors to Kenya

But the high season, which runs from December to March, has seen some hotels having to cope with room occupancies as low as 40 percent

Tourism minister Noah Katana Ngala has been storming around Europe over the past few weeks in a bid to save the situation

But most experts say Kenya lacks the aggressiveness of other countries in the promotion of tourism abroad

For example, during the British winter television there was awash with adverts about holidays in South Africa and on the West Indian islands But there were none on Kenyan safaris

Kenyan tourist offices abroad are ill-equipped and some do not even have basic materials such as maps and tariff guides

The calibre of those manning them is also suspect, given the fact that most appointments are influenced by factors such as tribalism and favouritism

The chief executive officer of the Kenya association of tour operators, Mr Joseph Nguru, says such a board is essential in the competitive world of tourism

He says South Africa's tourism is rising because its marketing is better organised than Kenya's – Independent Foreign Service

To topple Moi, opponents must regroup

Star 2/4/96 (163)

By Joe Khamisi
Nairobi

Kenyans, disenchanted by President Daniel arap Moi's rule, are looking for an alternative force to replace a wrangling opposition that has failed to unite

And a visiting British MP, David Steel, said in Nairobi a few weeks ago that Kenyans deserved better.

"If South Africa with its bitter inheritance can be an open society, if Botswana with its small population can run a successful democracy, if poverty-stricken Malawi can make this transformation, then why can't a powerful and prosperous country like Kenya enhance its world-wide reputation and improve the quality of life for its people?" he asked

President is succeeding in strategy of 'dividing and bribing'

The official opposition, Ford Kenya, which was expected to offer a gruelling challenge to Moi in next year's general elections, is in disarray

So are the other two leading groups - the Democratic Party and Ford Asili

Top leaders are fighting over who should be the party's nominee for the presidency

An inter-parties alliance, formed to brainstorm over a single opposition candidate to take on Moi, is also beset with administrative problems

Dr Richard Leakey's Safina Party pulled out of the alliance even though the white paleontologist was selected to co-ordinate the union.

In the meantime, 72-year-old Moi, written off only a few years ago, appears to be bouncing back

Observers say his popularity is high enough to ensure him a comfortable win should elections be held now

Since the last general election in 1992 when he won a meagre one-third of the votes, Moi has waged a relentless campaign to woo opposition figures to his ruling Kanu (Kenya African National Union) party

Several opposition parliamentarians have defected and more are expected in the run-up to the elections This has reduced the opposition majority in the national assembly by 10 seats to a low 78 compared to Kanu's 107

Kanu has a further advantage of 12 nominated seats

Two upcoming by-elections are likely to increase Kanu's majority even more. This will devastate the opposition, making it impossible for it to make any meaningful impact on the floor.

Critics accuse Kanu of waging a dirty tricks campaign of bribing opposition leaders to defect But Moi cites tribalism as the cause of opposition disunity

Although the election date has not been announced, Moi is busy criss-crossing the country in a style meant to win votes

This is fuelling rumours of a snap general election before the December 1997 deadline

Bouncing back .. Kenyan leader Daniel arap Moi has waged a relentless campaign to woo opposition figures to his ruling Kanu party

In some rural areas, Moi is promising facilities such as health, schools and roads that the government has long forgotten to provide

He has made several forays into the Kikuyu and Luo enemy territories preaching reconciliation

Both areas denied him votes in 1992.

But while he is "reconciling", he continues to refuse opposition rallies the right to a licence

Kenyans are, therefore, deprived of an opportunity to listen to alternative views.

The State-run media only reports on the opposition pressure to call a conference to discuss constitutional reforms.

Critics claim fresh elections would be considered flawed if certain changes are not made

These include the independence of the Moi-appointed electoral commission and the judiciary, freeing opposition parties from old colonial laws, transparency and accountability in government and unbridled press freedom

Moi has been in politics for 40 years, 18 of them as president

But he has presided over a corrupt, inefficient and totalitarian regime that has left Kenyans significantly poorer than they were when he took over

Among groups lobbying for Moi's ousting is a consortium of the clergy

On March 12, they formed a lobby group to find a compromise candidate to take on Moi Friends of Democracy (FOD) led by influential retired Anglican bishop Henry Okullu, warned of renewed ethnic cleansing, enhanced land grabbing, corruption and mismanagement of the economy if Kanu was returned to power

FOD is only one of several initiatives by sections of intellectuals and the clergy to dislodge Moi from power.

Moi has described any attempt to oppose him as futile

Apart from a recent successful eye operation in Israel, Moi appears healthy enough to rule for another five years.

The question is whether Kenya is better off with him or without him. – Independent Foreign Service

Moi bounces back

Divided opposition feuds as Kenyans braced for early election

(163) ARG 2/4/96

Daniel arap Moi, regarded as a political write-off, is winning over voters with elections just around the corner and the opposition in disarray. He has been in politics for 40 years – 18 of them as president of Kenya. But will the country be better off with him or without him? asks JOE KHAMISI of the Independent Foreign Service, who reports from Nairobi.

KENYANS, disenchanted by President Daniel arap Moi's rule, are looking for an alternative force to replace a wrangling opposition that has failed to unite

And a visiting British MP, Mr David Steel, said in Nairobi a few weeks ago that Kenyans deserved better

"If South Africa, with its bitter inheritance can be an open society, if Botswana with its small population can run a successful democracy, if poverty-stricken Malawi can make this transformation, then why can't a powerful and prosperous country like Kenya enhance its worldwide reputation and improve the quality of life for its people?" he asked

But the official opposition, Ford Kenya, which was expected to offer a gruelling challenge to Mr Moi in next year's general elections, is in disarray

So are the other two leading groups – the Democratic Party and Ford Asili

Top leaders are fighting over who should be the party's nominee for the presidency

An inter-party alliance, formed to brainstorm over a single opposition candidate to take on Mr Moi, is beset with administrative problems

Richard Leakey's Safina party pulled out of the alliance even though the white palaeontologist was selected to co-ordinate the union

In the meantime, 72-year-old Mr Moi – written off only a few years ago – appears to be bouncing back

Observers say his popularity is high enough to ensure him a comfortable win should elections be held now

Since the last general election in 1992, when he won a meagre one-third of the votes, Mr Moi has waged a relentless campaign to woo opposition figures to his ruling Kanu (Kenya African National Union) party

Several opposition parliamentarians have defected and more are expected in the run-up to the elections

This has reduced the opposition majority in the national assembly by 10 seats to 78, compared to Kanu's 107

Kanu has the further advantage of 12 nominated seats

Two forthcoming by-elections are likely to increase Kanu's majority even further

This will devastate the opposition, making it impossible for it to make any meaningful impact on the floor of parliament

Critics accuse Kanu of waging a dirty tricks campaign of bribing opposition leaders to defect

But Mr Moi cites tribalism as the cause of opposition disunity

Although the election date has not been announced, Mr Moi is criss-crossing the country in a style meant to win votes

This is fuelling rumours of a snap general election before the December deadline next year

In some rural areas, Mr Moi is promising facilities such as health, schools and roads that the government has long neglected to provide

He has made several forays into Kikuyu and Luo enemy territory, preaching reconciliation Both areas denied him votes in 1992

But while he is "reconciling", he continues to refuse opposition rallies the right to a licence

Kenyans are, therefore, deprived of an opportunity to listen to alternative views

The state-run media only portrays the opposition pressure to call a conference to discuss constitutional reforms

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Mr Moi has been in politics for 40 years, 18 of them as president

But he has presided over a corrupt inefficient and totalitarian regime that has left Kenyans poorer than they were when he took over

Among groups lobbying for the ousting of Mr Moi is a consortium of the clergy

On March 12, they formed a lobby group to find a compromise candidate to take on Mr Moi Friends of Democracy (FOD), led by an influential retired Anglican bishop, Henry Okullu, warned of renewed "ethnic cleansing", increased land-grabbing, corruption and mismanagement of the economy if Kanu was returned to power

FOD is only one of several initiatives by sections of intellectuals and the clergy to dislodge Mr Moi from power

Mr Moi has described any attempt to oppose him as futile

Apart from a recent successful eye operation in Israel, he appears healthy enough to rule for another five years

The question is whether Kenya is better off with him or without him

DANIEL ARAP MOI has presided over a a corrupt, inefficient and totalitarian regime that has left Kenyans poorer than they were when he took over

AFRICA

Kenyan govt in bid to block the Internet

(163) BD 9/4/96

Own Correspondent

NAIROBI — As Kenyans finally wake up to the benefits of state-of-the-art communications systems, anxiety is growing in government circles over its ability to control information

With newspapers, radio and television all strictly regulated by the authorities, and even schoolbooks and plays subject to scrutiny, the latest information technology, the Internet, is proving harder to manage

Two companies offer full access to the Internet, and in the coming months others are expected to bid for a share of this growing middle-class market in global communications

Although Kenya has been slow to steer onto the information superhighway, being only the 13th African country to access the Internet, commercial pressure now seems to have made its spread inevitable

An estimated 10 000 Kenyans currently use the Internet, mainly in the fields of business and academic research Nairobi may soon offer cheap access to the general public, however, if Africa Online, a Kenyan subsidiary of an American firm, goes ahead with its plans to open "cyber cafés" — high street centres selling online services

Despite its commitment to economic and political reforms, the government has watched these developments with discomfort Last year a memorandum from the office of the president was circulated to all government departments, warning staff to "seek clearance" before using the Internet

At least three government departments headed by enlightened officials keep their subscriptions to the Internet secret "It's politically very sensitive President Moi definitely doesn't want the Internet here," said a Nairobi communications expert

For years, the advent of the Internet was kept at bay by inefficiency in the government-run Kenya Post & Telecommunications Corporation Private satellites for telephone communications, already in use in Uganda and Tanzania, are still not permitted in Kenya, where they are viewed as a threat to national security Positive changes at the corporation, however, have just made available the high speed lines necessary for companies like Africa Online to operate

After intensive lobbying, import tax on computer hardware has recently been reduced from a prohibitive 200% to 10% But parallel moves in the opposite direction continue to create an uncertain communications climate

Two media Bills drafted by the attorney-general's office and described by Western diplomats as "draconian" await tabling in parliament.

International and local pressure to free the airwaves has been ignored by the government, which controls the radio and two television stations

The Internet, however, appears to offer an information forum beyond the reach of the government's censor

Kenyans can read the latest book by the jailed dissident Koigi wa Wamwere, written in prison and smuggled out on scraps of paper. The book is unlikely to find its way into Nairobi bookshops The Kenya Human Rights Initiative, a group based in the US, has been using the Internet to send e-mail messages urging support for its campaign to free Koigi

Human rights groups say the Internet is a way of relaying confidential information safe from government intelligence officers who commonly tap telephones and faxes.

Those involved in the fledgling online market are nervously aware of the duality of the government's attitude to their business.

Some practise self-censorship by excluding material that may be viewed as controversial —

IMF to discuss Kenyan aid

CT (BR) 10/4/96 (183)

By Joe Khamisi

Nairobi — The board of the IMF is expected to meet in Washington in the middle of this month to discuss a three-year, $200 million (about R820 million) aid scheme to Kenya under the enhanced structural adjustment facility

If the board approves the aid, the way will be clear for the disbursement of aid pledged at the IMF consultative group meeting in Paris on March 22 At that meeting, donors promised to give $730 million in aid to Kenya

The board will weigh the actions of the Kenyan government and results of recent policies very carefully before coming to a decision

In February, President Daniel Arap Moi announced a policy framework paper The paper lays down strategies for improving the country's economic performance

Through the framework, the president seeks to strengthen monetary and fiscal management, improve infrastructure and public sector efficiency, enhance domestic competitiveness through further market liberalisation and take measures to address the problems of disadvantaged groups

The paper was well received by the donor community some donors say Kenya could become one of the fastest growing economies on the continent if it is implemented

Donors were also impressed by Kenya's reform process, which realised economic growth of 5 percent last year and slashed inflation from 49 percent in June 1994 to 2 percent in February this year.

They were also happy about parastatal and public service reforms and what they saw as a serious effort by the Kenyan government to fight crime and corruption

Donors still want to see an end to misuse of public funds by government officials and an increase in social and development spending, however

At the Paris meeting, donors urged Moi to strengthen the democratic process in advance of next year's general election by opening up the media and allowing unhindered activity by the opposition

There have been signs that Moi is attempting to reach out to the opposition last month, for example, he held his first joint meeting with three of his leading detractors

Donors saw the move as an encouraging sign, though opposition leaders continue to be harassed and their meetings disrupted

Sources said quiet discussions were also going on between the government and representatives of donor nations in Nairobi over the controversial press Bill, which sought to impose restrictions on practising journalists and media owners

The Bill was temporarily suspended by the government earlier this year after a flood of protests from the local media and the international community.

The IMF board will above all want to be satisfied that Kenya has reached its budget deficit and monetary targets for the year

The Kenyan government promised the IMF that it would keep its budget deficit to $143 million, of a total budget of $2,2 billion, for the year to March 31 Government officials said the target would be met

If it approves the aid, the IMF will release $70 million in balance-of-payments support by the end of May, through the structural adjustment facility

This will trigger the disbursement of $85 million under the World Bank's structural adjustment credit and the transfer of 40 percent of the pledged aid package of $730 million within the next twelve months

Kenyan officials are elated at the imminent turnaround in the aid situation The country suffered a three-year aid freeze from 1991 to 1993 because of serious flaws in its economic and political policies

Despite changes in those policies, aid was not immediately forthcoming In 1994, donors pledged $850 million in balance of payments and project aid but only a quarter of it was disbursed last year

Britain, Kenya's main trading partner, only released £5,1 million (about R32 million) of the money pledged in 1994 on March 22, when the Paris conference ended

While Moi now believes he has won over the donor community, what happens between now and the election will determine whether his confidence is justified — Independent Foreign Service

EU helps Kenya stimulate its (163) coffee industry

BY MANOAH ESIPISU CT (BR) 15/4/96

Nairobi — The European Union has given Kenya 660 million shillings (about R47 million) to increase its output of coffee and improve its quality

On Friday, Jean-Michel Filori, the head of the EU delegation in Kenya, and Benjamin Kipkulei, the permanent secretary of the finance ministry, signed the agreement for the financing under a programme called the second coffee improvement programme

The funds are part of an agreement between Kenya and the EU on the stabilisation of export earnings that began in 1990

Under the stabilisation of coffee earnings programme, the EU sent 135 000 tons of fertiliser to Kenya between 1991 and 1993 for auction to farmers

The cash generated from the sale was placed in a bank and it was this that the EU had now freed for recycling back into the industry, Filori said

Filori and Kipkulei said the foreign currency component of the cash transfers had been used to procure fertiliser for the coffee sector and other agricultural concerns in general

"This agreement aims at enhancing both the quality and quantity of coffee produced by the (co-operative) sector," they said The co-operative sector accounts for about 75 percent of area planted under coffee and 56 percent of output

"(About) 650 million shillings will be utilised for this sector to finance credit lines for coffee advance payment system, farm input supply scheme and coffee factory development," they said.

"The remaining 10 million shillings will be used to equip the existing training centre at the Coffee Research Foundation to enable it to be used efficiently as a training facility for the coffee industry"

Kenya produced about 95 000 tons of coffee between October 1994 and September last year, and the Coffee Board of Kenya has forecast a rise to 100 000 tons in the 1995-96 season.

Output peaked at 130 000 tons in 1986-87, but fell to 70 000 tons in 1991-92 — Reuter

Singapore firm's $2m quote too pricey for Kenyan port

(163)

CT(PR) 15/4/96

By Joe Khamisi

Nairobi — Kenya has rejected a Singapore company's plan to reorganise and manage the chaotic port of Mombasa because the company called for a $2 million fee

Kenya now wants to look at other proposals to restructure the port's container terminal and has contracted a Canadian consultancy firm to draw up terms of reference for possible international tendering

The terminal is besieged by problems ranging from frequent equipment breakdown to congestion and delays

The Singaporean plan contained many costs in addition to the contract price a 50 percent share of profit, a $230 000 computer package and fat personal allowances

Contract Singaporeans were to go home with $17 000 a year each Those on temporary assignments were to earn more than $136 000 a day

The Singaporeans wanted all payments to be tax free, with a penalty rate of 1 percent a month in case of payment delays

The demands were made by a team from the Singapore Port Authority during a visit to Kenya early this month.

The Singaporeans were invited to Kenya when president Daniel arap Moi toured the authority's facilities last year. But the contract demands kicked up a storm as soon as they were announced

Labour leaders called them outrageous

Robert Brenneisen, the Kenya Port Authority's executive chairman, termed them too costly but he said that negotiations would continue

At least 12 other port authorities have expressed interest in helping Kenya deal with the serious problems of lack of equipment, congestion and upgrading of the container terminal Australia, the ports of Liverpool and Hamburg, and French and Canadian companies have been mentioned as candidates for the contract

It could not be established whether South Africans were among those bidding for the contract On April 2, Adam Kowalewski, the Polish ambassador to Kenya, said his country could offer a competitive rate

But sources say Poland is interested in providing expertise and training in cargo handling, transporting goods and piloting ships within the harbour, rather than managing the terminal

The Singaporeans proposed a one-year arrangement with the possibility of extension

Discouraged by the high fees, Kenya has now asked the Toronto-based Hickling corporation to draw up a document that would form the basis for future talks The Singaporeans were told to revise their terms if they wanted to be considered

The Kenyan Port Authority has been hobbled with myriad problems during the past decade and a string of political appointees over the years have failed to improve efficiency and cure corruption

Brenneisen, a Kenyan of Swiss origin, was appointed in February to clean up the mess

The restructuring would be undertaken to prepare the facility for free port status, but experts say it would take 10 to 15 years to transform the facility into a free port

If implemented, however, Mombasa will face stiff competition from neighbouring free ports in South Africa, Mauritius, Seychelles, Madagascar and Zanzibar — Independent Foreign Service

Kenya sets up agricultural commodities exchange

(163) CT (BR) 16/4/98

By Joe Khamisi

Nairobi — Kenya has joined South Africa, Zimbabwe and Zambia in setting up an agricultural commodities exchange to facilitate the marketing of agricultural goods

But a lack of finance and the slow pace of liberalisation in the agricultural sector is hindering its development

The Kenya agricultural commodity exchange is a private-sector firm which aims to provide a forum for buyers and sellers to trade in the same way as at the Nairobi Stock Exchange

The operation of the exchange is expected to be similar to that of the South African commodity exchange which has been in existence for some years.

Traders will buy or sell crops, livestock and products for export and domestic markets

The exchange will have a trading floor or pit where sellers and buyers or their representatives will trade in current and futures markets. The exchange is not itself a buyer or seller.

Once traders have agreed on the price of a commodity, the exchange will get them to sign a legally binding contract.

The contract will clearly spell out the terms of transaction, including the quality, quantity and price of product

It will also specify the place and date of delivery, and date and mode of payment

The exchange will get a commission based on the value of each transaction.

After the government abolished its marketing monopolies, an exchange became necessary

Because of a lack of market information, however, many farmers were fleeced by middlemen who set prices arbitrarily and cared little about the production costs farmers had incurred

The new body is determined to regulate the sector and remove price distortions

Gituro Wainaina, an agricultural economics lecturer at the University of Nairobi, says one of the exchange's priorities will be to educate farmers about the intricacies of trading at the exchange

Unlike dealers at the Nairobi stock exchange, farmers are mostly from rural areas and their level of sophistication is much lower

Wainaina says that the majority of third world farmers do not understand the legal implications of trading

For example, a farmer who enters into a contract to deliver produce is unaware of the implications if he fails to deliver

Wainaina said farmers need to have access to at least five years' analysis about the trend of market forces in and outside the country to be able to play an active part in the exchange

Adrian Mukhei, the chief executive of the exchange, says the scheme lacked government support He says that there is a need for a regulatory body to deal with malpractices

There is also a need for the full liberalisation of the agricultural sector to remove government interference and allow free trading

The government has a grip on many of the agricultural sub-sectors despite its declared intention of putting much of the productive processing and marketing in the hands of farmers and farmer-orientated institutions

Last year, the government announced that it was gradually reviewing its agricultural policy with special emphasis on pricing, production, processing and marketing procedures

The exchange was launched three months ago but trading had not yet begun

It is grappling with teething problems including equipping itself with computers for data development and exchange

Lack of finance means that directors of the exchange must fund initial operations from their own pockets

But Mukhei said that at least 100 individual and institutional buyers and sellers had shown interest in the exchange — Independent Foreign Service

Kenya's pink flamingo flock shrinks and dims

The glory of Lake Nakuru National Park is under threat – but ecologists are at odds over the causes

(163) Star 18/4/96

REUTERS
Lake Nakuru, Kenya

An alarming drop in the number of flamingos at one of Kenya's most famous tourist spots has sparked a row over the cause of their disappearance

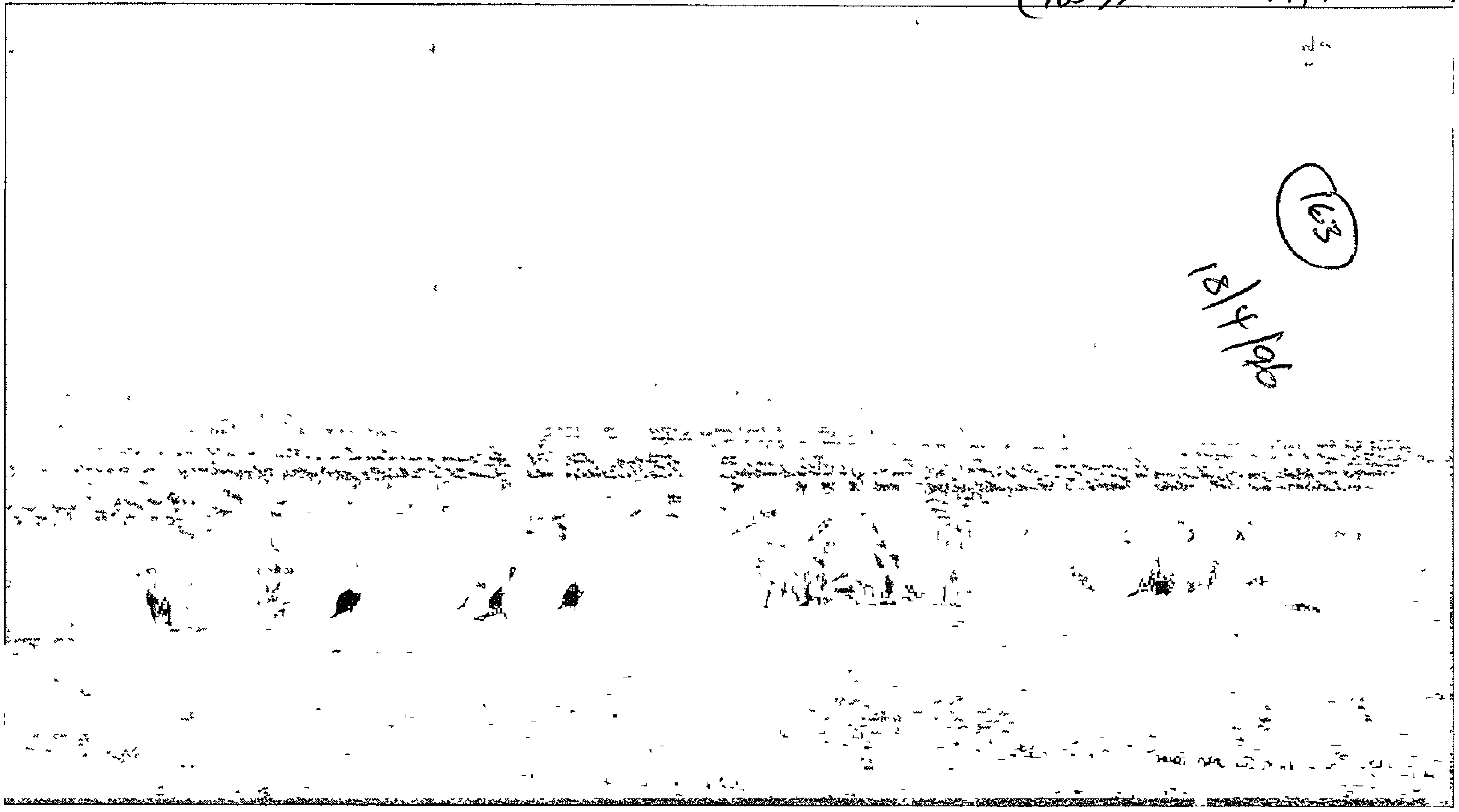
At the heart of the dispute is a sewage treatment plant, cited by one prominent scientist as the main reason for the flight of the flamingos

Lake Nakuru National Park, 150km north-west of Nairobi, has been internationally renowned for decades for its carpet of pink flamingos, which featured in the Hollywood epic *Out of Africa*

The tall, long-necked flamingos with their striking pink, scarlet and black plumage remain the main attraction for foreign tourists to the park close to the booming farming town of Nakuru.

But the park's flamingo population, which until 1994 numbered in the millions, has fallen drastically and is now only about 10 000, researchers said

Warui Karanja, an ecology lecturer at Nairobi University, blames the decline on the sewage plant that stopped the flow of raw effluent into the lake, a key factor in the growth of blue-green algae, the main food of the Lesser Flamingo



For the birds . great white pelicans and lesser flamingos at Kenya's Lake Nakuru.

163

18/4/96

Karanja argued in Kenya's influential Daily Nation newspaper that construction of the 800-million shilling (R197,2-million) plant was partly to blame for what he called an ecological disaster on the 46sq km of wetlands

He said the raw effluent stopped flowing into the lake just as most other sources of water were reduced to a trickle because of farming, and the lake ecosystem appeared to have collapsed

Not so, say his detractors, arguing that Lake Nakuru's water table was always notoriously fickle They blame deforestation, climate change and the sinking of artesian boreholes for the lack of water

"By far the most serious factor is deforestation up in the catchment area – there's no (water) flow up there," said Francis Mwaura, a researcher at the university's geography department

Along with zoologist John Githaiga, he has been carefully monitoring the lake's water level for the past two years

While flamingo numbers are linked to the lake's water level, what worries scientists is an increasing cycle of "dry-outs"

Records show that Lake Nakuru, which translates as "dusty place" in the local Masai language, dried out completely in 1967, 1988, 1993 and 1994, said Githaiga.

"The sewage plant was just masking the effect of the dryout The drop (in water level) is caused by a lot of factors – deforestation, catchment, cultivation of farm land," he said

"There's quite a lot of boreholes being sunk for domestic use," said Githaiga, adding that increasing urbanisation around Nakuru town was making itself felt on the lake's ecosystem

Kenya's ministry of land reclamation, regional and water development said in January that it had been forced to build the sewage treatment plant to prevent increasing pollution of the lake

It said stormwater draining from Nakuru town was carrying non-biodegradable pollutants such as plastic containers and waste oils to the lake

The two researchers say heavy metals have also been detected and that the likely culprits are small factories and local tanneries.

While bookings at the lake's two main lodges have fluctuated, overall visitor numbers to the lake have been fairly constant at about 170 000 per year, says Mary Kisivuli, the park's education warden

She said she was not unduly alarmed at the drop in flamingo numbers and that they would return from nearby lakes as the rainy season picked up

"Now with the rains, we're seeing quite a lot of them coming back

"The flamingos are very mysterious birds," she said – Reuters

Kenya aims to boost production in sugar industry with reforms

ET(BE) 22/4/96 (163)

BY MANOAH ESIPISU

Nairobi — The Kenyan government had begun a wide range of reforms in the sugar sector to boost production, Joseph Misoi, the deputy agricultural minister, said on Friday

Misoi said the changes included the gradual privatisation of sugar companies, the financial restructuring and review of the management of poorly run companies, and the establishment of a fund for the internal generation of credit to finance cane development

Misoi said the government had also begun to improve roads in key growing areas and had directed more cash to cane research and rehabilitation

"Other measures include liberalisation of pricing, marketing and distribution to enhance competition and efficiency, a flexible tax structure to prevent dumping of cheap imports and the reorganisation of the Kenya Sugar Authority to allow it more powers in management of the sector," Misoi said in a statement to parliament

A top miller, the Mumias Sugar Company, would be floated on the Nairobi Stock Exchange by the end of this year as part of the government privatisation programme, agriculture ministry officials said

Misoi's statement followed complaints from legislators representing the growing areas They said that local produce was rotting in factories as the domestic market was flooded with cheap imports which also threatened jobs

The legislators said the government did not provide adequate incentives to encourage growth in sugar production

Senior officials at the Kenya Ports Authority in Mombasa recently issued a list of companies that imported sugar for the Kenyan market, showing that imports rose to 227 974 tons last year compared with 147 000 tons in 1994

But between January and March this year only 10 262 tons of sugar was imported as businesses realised the market was flooded and retail profit margins had fallen

Misoi said 120 987 tons of sugar was declared as having passed through Mombasa port last year

"It should be observed that some sugar may have entered the country undetected and the list of importers and quantities of transit sugar may not be conclusive," said Misoi

Sugar consumption in Kenya last year was estimated at 560 000 tons compared with production of 368 000 tons, leaving an import gap of only 192 000 tons

The Kenya Sugar Authority has forecast production to grow to 404 800 tons this year while consumption will remain at 560 000 tons — Reuter

'Moi way will lead to anarchy'

(163) CT 23/4/90

[illegible] Parliament [illegible] Dr Richard Leakey [illegible] diplomats to press for political reform in Kenya to prevent unfair elections, violence and anarchy.

In a letter to [illegible] of [illegible] countries including the United States, Britain and Japan, Leakey noted that presidential and parliamentary elections due before the end of next [illegible] would be [illegible] the government had refused to register new political parties.

[illegible] itself [illegible] would be the [illegible] government that it does not want or accept that the next election should be fair.

Leakey [illegible] the diplomats to make [illegible] of the consequences of the present [illegible].

Unless there is change [illegible] [illegible].

[illegible] spokesman [illegible] Mr [illegible] Secretary confirmed receiving the letter but declined to comment. — Special

Government moves to rid industry of conmen and enforce minimum capital requirements

Kenyan insurers face a shake-up

(163) CT (BR) 23/4/96

By Joe Khamisi

Nairobi — Kenya's shaky insurance industry is to receive a major shake-up to combat an invasion of conmen who are robbing the industry and the public of millions of Kenyan shillings in fraudulent deals

Until last year, Kenya's Insurance Act was largely moribund Bogus brokers and agents flashing fake accreditation papers colluded with schemers in the industry to peddle insurance services But once premiums were collected the perpetrators vanished

There will now be stricter policing of the industry Any salesmen who do not have a current license will not be allowed to operate

Also, brokers must remit premiums to insurance companies within 60 days or face a 5 percent penalty a month.

Henry Awori, an insurance commissioner, said 80 percent of insurance investigators were former police officers with no insurance background

Some of the investigators gave misleading investigation reports leading to poor judgment on payments of claims.

Awori said fraud in the industry had become a matter of great concern

Musalia Mudavadi, the finance minister, said the shake-up would seal loopholes and identify areas that could be a source of instability for the economy as a whole

"Since 1992, the government has concentrated on streamlining the banking sector without attention to the insurance sector," Mudavadi said

In general, Kenyan insurance companies have fared badly in comparison with banks and other financial institutions

While banks registered huge profits, insurance companies suffered huge losses, particularly in the motor vehicle business

Thefts of vehicles have surged in recent years Some companies have threatened to pull out of the car line altogether if vehicle theft is not brought down to manageable levels

The Association of Kenya Insurers has said that if law enforcement agencies are unable to control this crime epidemic, insurers might consider the theft of motor vehicles an uninsurable risk in Kenya

The industry's problems were being exacerbated by rising road accidents

About 2 500 people are killed on the roads every year, necessitating compensation claims amounting to 2 billion Kenyan shillings (about R45,85 million)

Sources in the industry complain that court awards are often unrealistic and fail to consider the ability of companies to pay

The government is taking measures to enforce its traffic code A new bill, which borrowed heavily from South African traffic laws, will soon be introduced in parliament

There have also been allegations of complicity between lawyers and courts when awarding claims

Heavy compensation claims have led to declining profits and severe liquidity problems for most insurance companies

For example, 10 out of 19 companies transacting long-term business do not meet the minimum solvency requirements of 1 million Kenyan shillings

Only eight out of 37 companies in general business comply with the requirements

The other problem relates to share capital Most of the companies are grossly under-capitalised

The government has ordered all insurance companies to raise their share capital to a minimum of 50 million Kenyan shillings Experts said the new requirement were likely to sink at least 25 percent of the companies, most of them owned by indigenous Kenyans

The industry says it sees no need to put substantial investments into an unprofitable business

Insurers cite the collapse of the state-owned Kenya National Assurance as a portent of a bleak future for the industry

The company sank into severe liquidity problems last year, prompting the government to announce a shut-down plan.

The government changed its mind and the company is now being restructured in preparation for privatisation within the next two years — Independent Foreign Service

Kenya in a last-ditch bid to save its tourism

(163) Star 25/4/96

By putting wildlife sanctuaries in the hands of villagers the authorities hope wild animals will become valuable assets

Sapa-AP
Amboseli, Kenya

Not so long ago, Josphat Saiko and his fellow Maasai warriors would have turned a blind eye to poachers, or might have been out killing animals themselves to protect crops

Today, they guard Cape buffaloes, zebras, elephants, Thompson's gazelles, elands and wart hogs against danger and hope their efforts pay out in cash

"They are like my goats," Saiko says of his new charges "Why should I let anyone kill them?"

The 24-year-old is in charge of 16 guards at the new Kimana Wildlife Sanctuary near Amboseli National Park in the shadow of Mount Kilimanjaro

Under a new programme of the Kenya Wildlife Service, the 16ha sanctuary belongs to 840 local people rather than the government, as do Kenya's famed game parks

Saiko and the other residents now have a financial stake in the well-being of the animals

The sanctuary is part of what David Western, director of the national wildlife protection agency, calls "a new brand of conservation" He says the concept is necessary not only to save Kenya's wildlife and its 56 national game reserves but its economy as well.

Wildlife is the backbone of the tourism industry, which Western says brings in an average of $500-million (about R2-billion) a year and is the single largest earner of foreign currency.

Because of changes in rainfall and available food, wild animals must migrate in and out of the parks, Western notes.

If the animals are not allowed to live on and cross private property unmolested, the national reserves will eventually be choked off

"The future of wildlife ultimately depends on what happens outside the parks more than (what happens) inside," he said

At the entry gate to the Kimana sanctuary, which opened in February this year, Saiko collects $10 (about R43) from each non-Kenya resident and about $2 (about R8) from each resident to see the animals

Saiko and his colleagues hope it will make a profit and pay dividends to the local owners

For now, the only real expense is the small salaries paid to Saiko and the other guards

The wildlife service maintains the sanctuary's roads

A second experimental local sanctuary, financed by the US Agency for International Development, is operating at Kwale in the elephant-rich Shimba Hills forest south of Mombasa near the Indian Ocean coast

People need the money to survive

Western sees the two pilot sanctuaries as the first step in finding ways to make wildlife benefit more Kenyans and give them a reason to protect animals Among the ideas under consideration are allowing hunting to cull wildlife herds and making it easier to get licences for tourism businesses

By law, wild animals belong to the state, but about 75% of Kenya's wild animals roam on private land.

Farmers and herders hate sharing their turf with the wild animals because they kill people, livestock and crops and have brought no economic benefits

Between January 1989 and June 1994, wild animals killed 230 people and injured 218 Elephants alone killed 14 people last year

Government compensation for such deaths is 30 000 Kenya shillings (about R2 150)

There is no payment for injuries and medical bills or for damage to crops and property

Patrick Balozi, a Masai in his late 20s, had expected a handsome onion harvest earlier this year from a 0,8ha plot outside Kimana, a settlement near the sanctuary. But one night, he said, a herd of elephants "dug them up systematically, following the rows," eating the onions and a season's income

To Western, such farmers and herders are a constituency to be won over

The Kenya National Wildlife Association, a group of land owners, is pressing with Western's support for changes in legislation to permit financial gain from wild animals on their land

"There are alternative uses of land other than keeping wild animals without any benefits," the association's interim chairman, Koikai Oloitiptip, said. "Some of the uses may not be viable in the long run, but people need the money."

A report published in December 1994 by a five-member team appointed by the Kenya Wildlife Service recommended that landowners and communities be given "authority to utilise wildlife for economic benefits as well as take on certain responsibilities and costs of conservation."

In addition to running sanctuaries, landowners should be allowed to operate tourist lodges and create jobs through industries like making leather bags and shoes from the skins of culled animals, the report said.

Kenya seeks $1bn to stem sea of poverty

CT (BR) 30/4/96 (163)

Joe Khamisi

Nairobi — Kenya is desperately looking for an estimated $1 billion to stem the tide of poverty ravaging the country

Forty-seven percent of Kenya's 26 million people live below the poverty line

Efforts to convince donors to part with the money in support of the Social Dimensions for Development programme have not borne any results

The development programme was launched in 1994 by president Daniel arap Moi He was anxious to draw international attention to problems arising from donor-engineered structural adjustment programmes

Forty-nine projects were identified in areas of health, training and education

The programme's backbone was to have been donors, non-governmental organisations and the government itself which would have provided about $280 million

The government has integrated the development programme into its annual budget and the national development plan

However, the international support for the project intended to help women, the youth, the landless and the disabled is lacking

Structural adjustment programmes have been widely blamed for worsening the plight of the less fortunate

Since 1993, the government has been forced to cut down on funds for education, health and other social projects in an attempt to cut down on public expenditure

It also deregulated the economy, sending the cost of living rocketing beyond many people's reach

But donors have argued that poverty existed even before the adjustment programmes were introduced and blame improper use of resources as the cause

The government presented its proposals for funding in March this year to two donor consultative conferences in Paris The proposals were prepared in conjunction with donor representatives in Nairobi.

The proposals were reviewed again early in April by a co-ordinating committee composed of the government, foreign missions, non-governmental organisations and the private sector

Officials say they would like to see the development programme implemented as soon as possible

But sources say the biggest problem hampering international interest in the development programme was donors' widespread belief that the money may not be used for its intended purpose

At the March donors' meeting in Paris, Kenya was also flayed because of its poor rate of absorption of donor funds and the delays in project implementation

Foreign envoys have been unable to put a figure on the unused funds but say they run into millions of dollars — Independent Foreign Service

IMF row looms

[illegible]

Kenya finds favour with foreign donors

CT(BR) 8/5/96 (163)

By Joe Khamisi

Nairobi — Kenya has entered into the donors' favoured list, with the recent approval of a $200 million IMF loan agreement

Last month, the IMF offered to release the money under a three-year soft-loan enhanced structural adjustment facility

The agreement broke the ice for countries and multilateral donors to begin disbursing millions of dollars

Aid had been held back because of inconsistencies in Kenya's economic reform process

The IMF money will be disbursed in five semi-annual installments

The loan carries a 0,5 percent annual interest and is repayable over 10 years with a five-year period of grace

But the IMF warned that the disbursement would be subject to the country continuing with reforms and achieving macro-economic targets

Kenya said it would comply

The agreement was reached after Kenya issued a policy framework paper in February

The paper concentrated on privatising inefficient parastatals and meeting budgetary targets over the next two years

It promised to achieve a real GDP growth rate of 6 percent and limit inflation to 5 percent

It also promised to reduce the external current account deficit, excluding official transfers, from 4,2 percent of the GDP last year to 1,3 percent of GDP this year

The IMF money would go mostly towards the restructuring of the central bank

The agreement was signed after a recent visit to Kenya by Michel Camdessus, the managing director of the IMF

Economic observers said the visit represented the donor community's full confidence in Kenya's economic performance

"We came, we checked and we are in a position to share with you the seriousness of the government," Camdessus said before leaving the country last month

But the IMF actions angered opposition leaders

They complained that economic liberalisation was unsatisfactory and political reforms had stalled

"Corruption and misuse of public funds still abound and political tolerance did not accompany pluralism," one said

Oppositionists felt the IMF should have insisted on greater freedom of the press and a judiciary free of state interference

Robert Shaw, an economic commentator, said the gentle and fragile economic recovery could easily be disrupted and reversed overnight

However, most commentators agreed that Kenya had made enough economic progress to deserve recognition

Import and export procedures had been freed, price controls had been removed and trading monopolies and controls minimised

Monetary restrictions had also been removed allowing currencies to be freely converted

Independent Foreign Service

Chinese president begins tour of Africa

Nairobi — Jiang Zemin, the Chinese president, starts a four-day visit to Kenya today

Jiang is also expected to visit Ethiopia, Egypt, Mali, Namibia and Zimbabwe

The tour was to "enhance friendship, strengthen unity and promote co-operation with the African people", said a Chinese foreign ministry official — Sapa-AFP

Law and order gives way to mob violence

(163) MtG 10-16/5/96

Greg Barrow in Nairobi

THE Kenyan government has published a 40-page dossier defending its human rights record. The report comes as Kenyan human rights groups grow increasingly vocal about a rise in mob violence and a breakdown of law and order.

In the report, The Way It Is, the government says its overall record is positive, and blames budgetary restraints for preventing authorities from addressing all human rights issue

Kenyan human rights groups say the report offers no answers to the growing problem of civil disorder. Incidents of crowds taking the law into their own hands are on the increase

Almost every day the media carry reports of civilians being beaten, necklaced, or hacked to death by mobs seeking vengeance for petty crimes

"The government is either unable or unwilling to curb crime in the country," says director of the Kenyan human rights commission Maina Kiai.

"When a crime is committed, no action is taken. The police seem unable to move, so the people have decided that the best thing is for they themselves to do something about it."

John Githongo, a columnist in a regional newspaper which has campaigned against mob violence, believes the rulers are to blame "Human life is cheaper here in Kenya than ever before," he says.

"The trouble is that people can't look to any part of our society for moral leadership if you have a problem, you either bribe your way out of it or you use violence."

Data collected by the human rights commission reveal that deaths in mob violence far outstrips deaths due to ethnic clashes and banditry

The government dismisses its data as "a propagandist catalogue of criminal incidents".

But the commission says. "There's a feeling that the government actually accepts mob violence. We've become a society that doesn't care for the weak and the poor We care much more about property and wealth, and if that's the case, we're a society in big trouble."

WORLD

Famine looms in north-eastern Kenya

(163) BD 16/5/96

NAIROBI — Famine looms in parts of and north-eastern Kenya, threatening the lives of hundreds of thousands of people, community leaders warn

"The situation is deadly," says Arale Hassan Ahmed, an assistant minister of transport and communications "If it is not checked, we expect to see livestock carcasses in the area in a few weeks and possibly even people"

He says conditions are appalling in Habaswein sub-district where 75% of the population need emergency relief food and boreholes for their livestock

"There's no point distributing food to people and not providing water for their livestock," he says "This is why we are appealing to the government, non-governmental organisations and individuals to help the people in the region before it is too late"

He is calling for a scheme to buy up the livestock before they die so villagers in the drought-struck region will have some income. "If we can get such orders, it will save the community from losing its entire herd of livestock."

It is not only Habaswein that famine is threatening but also Mandera town and Garissa

According to political activist Hussein Adam Adawa, who has come to Nairobi to highlight the plight of the region, people have already begun dying of famine-related diseases in Mandera town, some 800km north-east of the capital

"More than 1 000 people died of famine-related diseases in Mandera town alone two weeks ago The victims, all weakened by starvation, developed vomiting and diarrhoea, and ultimately collapsed and died"

The actual cause of death was probably cholera

Last week the authorities in the region summoned all doctors on leave to report to work immediately, following an outbreak of an epidemic in the town

"The first report, put out by the ministry of health, said 16 people had died of the disease, and the second one, put out by the district commissioner Cosmos Matai, said only six people had died," says Adawa, a member of the opposition Democratic Party.

All the victims, he says, hailed from the suburbs of Mandera town and were too poor to afford medical care "To me, they were victims of starvation, not cholera," he says.

The situation in the region is a result of poor rainfall last season and the pullout by major international donor agencies who operated in the region at the height of the civil war in Somalia and the 1992/1993 drought

Apart from the huge tide of refugees flowing in from Somalia to escape the conflict there, the local population abandoned their pastoral life in the rural areas due to insecurity and to take advantage of the relief food in towns, says Abddullahi Abdi of Northern Aid Many of these people are still in the towns Farming and livestock production have declined drastically.

A town like Mandera, for example, with an original population of around 30 000 in 1992, jumped to about 100 000. Even after the departure of the Somali refugees, numbers still hover around 50 000 because of the influx of nomads from the rural areas now camped on the town's outskirts

Major relief organisations, both local and international, who responded to the Somalia crisis and the 1992/93 drought, left or cut back their operations in 1994

"To make matters worse, the border trade between Mandera and Somalia has declined considerably since Somalia was ravaged by civil war

"In better times, the bustling cross border trade ensured that residents had the capacity to purchase food and other essentials 'Today many of them cannot afford to," says a spokesman of Northern Aid. — Sapa-IPS

No peace without justice

ARG 24/5/96 (163)

An estimated 2 000 people died and many thousands were forcibly evicted from their homes in so-called "ethnic clashes" in the runup to elections in Kenya in 1991. But, five years later, no one has been prosecuted. Peace activists warn that unless there is both justice and reconciliation, there may be a recurrence of violence on an even larger scale as the 1997 general elections approach

L MUTHONI WANYEKI of Sapa-IPS reports from Nairobi.

FIVE-years after so-called "ethnic clashes" shook Kenya in the run-up to its first multi-party elections, nothing has been done to bring its sponsors to account

Peace activists warn that this impunity, given the existing political tension over the fast-approaching 1997 general elections, may lead to a recurrence of violence on an even larger scale

"The ground is ripe for an explosion, for the ignition to trigger the first event," says Eric ole Kesoi, programme co-ordinator of the Justice and Peace Commission of the Catholic Church, which has done extensive work in trying to reconcile communities in the aftermath of the clashes

"We see from the clashes since 1992, from the violence in various by-elections, that it's no longer tribe against tribe, it's going back to the clan level, with clan against clan"

"The situation is made worse by the fact that no-one has been prosecuted for the events of 1991, by the fact that justice hasn't been done or been seen to be done," he says "At the community level, people who participated in the clashes don't fear doing the same thing again — they believe they have political protection So we need to be very alert"

During the clashes, members of Kenya's three largest communities — the Kikuyu, the Luo and the Luhya — were forcibly evicted from their homes in the predominantly Kalenjin area of the Rift Valley, home to President Daniel arap Moi In the first half of 1992, as many as 2 000 people were reportedly killed and thousands made homeless

What is less commonly known is that many Kalenjin were also victimised in the attempt to create tribally-based voting zones in the run-up to the 1992 elections

"Two weeks before the clashes, soldiers arrived in lorries, with arms, saying they were home on leave," said Cleophas Budi, a survivor of the violence in Kapsakwani, a village in Transzoia district of Rift Valley Province

"They went around saying that if we didn t vote for (the ruling Kenya African National Union (KANU), we would have to leave Of course, we didn't take them seriously — how could we be forced to leave our homes? But it happened," he affirms

Investigative reports on the clashes which back up statements of survivors have been uniformly ignored Even the findings of a government-sponsored inquiry were rejected by the authorities

"The problem has been that one community has been presented as the aggressors, and the others as victims," explains Kesoi "There has been a real lack of serious follow-up on investigations which refute the so-called tribal nature of the clashes, which come up with truth"

Before the 1992 general elections, Moi in resisting political reforms, repeatedly warned that multipartyism would only serve to fuel tribalism in Kenya But several reports, including the government-sponsored one, implicated senior members of KANU in instigating the clashes, and indicated a deliberate attempt to fulfil Moi's prophecy

A study by the National Elections Monitoring Unit (NEMU) notes that "many Kenyans were denied the right to participate in the process through the so-called "ethnic clashes' and the declaration of certain parts of the country (especially the Rift Valley) to be "KANU zones'"

"Divide and Rule', a report on the clashes by London-based Human Rights Watch/Africa went further, explicitly naming KANU as having ordered the movement of armed groups of young men into the Rift Valley to flush out those considered hostile to the party

The report noted that while those targeted did, in some instances, retaliate with violence, their response was unco-ordinated and spontaneous in comparison with the organisation of the militia groups Human Rights Watch estimated that 300 000 people were displaced by the fighting

The dismissal of these findings by the government have made efforts to compensate survivors extremely difficult

"My six-year-old daughter was stabbed to death I was cut so badly on my head that I've had to have three operations to place an artificial bone flap on my skull and I'm still paralysed down my left side," Budi says of his experience "My nine cows and two calves were shot, my house was burned down, and I've lost my nine-and-a-half acres"

"I lost everything," he continues "For two years, while I was in hospital, I believed my wife and my two other daughters were also dead But they were alive I thank God that I found them, I thank God for my life"

Resettlement efforts are also hindered by an abiding fear on the part of clash victims

"I cannot go back to Kapsakwani because that is where my daughter died," says Budi "According to my tradition, when blood is spilt, the person who has spilt blood should leave, but in this case I am the one who has had to leave"

"There is also still fear," he adds "Something worse might happen if I go back I have lost the taste for what I owned Maybe, if there are records of the fact that land is mine, I can sell it and buy land elsewhere, but I will not go back"

Budi and his family have now moved to his original home in Western Province on the Kenya-Uganda border, although he hasn't lived there since he was a small boy He says he bears no bitterness towards his former neighbours, the Sabot, a sub-tribe of the Kalenjin, because he knows it was strangers who attacked him

"This thing that happened has gone out of my mind," he states "I am only bitter when memories come back about being well, being muscular, when there is too much strain, too much struggling Otherwise I just want to be productive again, to sustain my family"

But Budi's lack of bitterness is actually quite rare, say peace activists

In the face of government inaction on the intense tribal animosities generated by the clashes, religious groups, with local and international NGOs, have taken up the cause of not just providing relief, or attempting resettlement of survivors in some of the clash areas, but also of initiating reconciliation efforts

"When it comes to reconciliation at the community level, traditional mechanisms of dispute-resolution have been the most effective as the judgments are respected and really sink into the hearts of those involved," says Kesoi "We've had a series of meetings where we ask communities not to give in to their own tribal feelings or to incitement by politicians by becoming involved in violence

'But we've realised that as peace-makers, we sometimes think we know the problems and the solutions, when ours is only to act as catalysts, to stress dialogue," he notes

"Developing dialogue with political leaders or provincial administrators has been very difficult," he continues "The government especially has not been willing to come out clearly and address past mistakes When someone in leadership has incited violence, he should be sacked and taken to court That has never happened in Kenya"

This is one of the reasons that the Peace and Development Network (Peace-Net, formerly the Ethnic Clashes Network), a coalition of religious groups and NGOs involved in various aspects of work on the clashes, has now begun to stress the need for justice as well as reconciliation

Last weekend, Peace-Net endorsed a recommendation that justice — implying the prosecution of clash instigators as well as compensation and resettlement — be sought for survivors of the violence

"Justice is like things being made right for everyone," says Budi "These things should never be permitted again"

Protection against the rich

Coffee board won't give up marketing

(163) CT(MR) 29/5/96

By Manoah Esipisu

Nairobi — Kenya's Coffee Board said yesterday it would not relinquish marketing, because that would allow the rich to fleece peasant growers and wreck the sector

A senior board official said allowing private buyers to sell Kenya's coffee would undermine quality and quantity, and erode confidence in Kenya's produce

The chaos that has reigned in the cotton, sugar and maize sectors would be repeated, he said

A few rich individuals wanted the board to relinquish coffee marketing to enhance their own market positions at the expense of a majority of growers, said the official

"Buyers around the world have confidence in our crop, they know we deliver the quality and quantity we promise Any change in this direction will compromise our market position in the world," he said

Rich individuals might pay high prices for the first year of such an arrangement, but there was no guarantee that long-term farmer interests would be protected

The official said the hallmark of private sales was that people bought cheap to sell at a hefty profit If the farmers realised that their earnings had declined, they would lose confidence in the crop

In September and October of 1994-95, coffee earned Kenya about 15 billion shillings A few individuals or groups were upset they had no role in handling such cash

Most of Kenya's quality coffees are produced by about 380 000 smallholders, who account for 70 percent of yearly output Many are members of societies that own the miller, Kenya Planters' Co-operative Union

The remaining 20 000 farmers are large growers or estates

The union said the board had refused to relinquish marketing as envisaged by a 1992 government reform order Giving the role to the union would have meant millions of dollars of farmers' money through the union, not the board

The board said it was legally the guardian of farmers' money and coffee Other groups were interested in laying their hands on the farmers' incomes, without regard to crop development

A government task force has since recommended that Kenya retain sales via the auction system — Reuter

Kenyan President Daniel arap Moi When politicians approached him recently with evidence of large-scale government corruption and complaints that their investigations were being blocked, he dismissed their initiative as a 'political gimmick'
PHOTOGRAPH SACHA J

Corruption scandal hits Kenya

(163) M+G 7-13/6/96

Charles Wachira in Nairobi

CORRUPTION in state firms alone has been costing Kenya an average of $104,5-million annually, according a parliamentary probe, but chances are not much will be done with the investigators' findings

In a 672-page draft report, Kenya's Parliamentary Accounts Committee (PAC) reveals that in six years the heads of the country's 56 state firms misappropriated 36,8-billion shillings

In hard currency terms, that s $627-million — more than the $508-million, which, according to the World Bank, Kenya received in official development assistance in 1994

The officials who committed the frauds were members of the ruling Kenya National African Union (Kanu), according to the draft Thus, when the 11-member PAC issued it, state officials refused to release additional documents the committee needed to complete its investigations

According to PAC Chairman Kijana Wamalwa leader of the opposition Forum for the Restoration of Democracy, the officials have refused to provide critical information on audit queries and have stonewalled investigations by denying the PAC access to crucial sites

Opposition members of the PAC also say the committee's work has been hampered by the abusive application by the speaker of Parliament of the *sub judice* rule He argued that the issues were under judicial consideration and therefore were prohibited from public discussion

"The very unco-operative attitude adopted by government officers shows that the state is afraid of an independent inquiry ' Wamalwa said

Those fingered by the report include Moi's private lawyer Simeon Mauncho, whose two firms Yamco Limited and Nchoke Limited are accused of fraudulently obtaining the equivalent of $55 172 from the National Cereals and Produce Board

Another ally of the president, Kipng'eno arap Ng'eny, former chief executive of the Kenya Posts and Telecommunications Corporation, is accused of charging the utility $1 431 003 in consultancy fees for an abandoned project

Time is running out for the PAC Its deadline is June 11, by which date Parliament expects the final report to be tabled In desperation, the committee's five opposition members have written to President Daniel Arap Moi, seeking his intervention to force the release of the outstanding documents

According to Wamalwa, attorney general Amos Wako parliamentary speaker Francis ole Kaparo, Fares Kuindwa — who heads the public service — Joseph Sang, permanent secretary in the Ministry of Lands, and financial secretary Joseph Kinyua should be forced to provide the information the committee needed

"We have taken the unusual step of seeking your excellency s intervention in view of the grave constitutional crisis that has been precipitated by your officers' and the speaker's conduct," the five PAC members explained in their letter at the end of May

However, Moi dismissed the request as a "political gimmick"

"Our appeal to the president was in realisation that the presidency is the confluence of the three arms of government and that as the head of the executive he could order officers to give the vital information required by the committee," Wamalwa said

On the other hand, Kanu members of the PAC team criticised their colleagues' action

"We condemn strongly this move which amounts to contempt of the laid down standing orders of Parliament," said Kanu legislator George Ndotto "According to order number 161, no evidence received by and no documents presented to a select committee shall be published or otherwise disclosed to any person other than a member of the house"

Kenyan budget again tries to force discipline

(163) CT (BR) 26/6/96

By Joe Khamisi

Nairobi — Kenya's 1996-97 budget announced by the government last week promises a tightening of fiscal and monetary discipline to encourage growth, but leaves many unanswered questions about how that task will be achieved

Analysts said previous efforts to encourage sound fiscal management and end corruption had not succeeded and fiscal transparency and accountability remained elusive

"The government has been talking about tightening controls but very little has been achieved," one analyst said

Critics pointed to the road maintenance levy fund, which was established three years ago "We don't know how the money has been spent and the government cannot show us any road which has been repaired," said one

The government set aside 7,9 billion pounds (about R11,9 billion) for total gross expenditure for this financial year

Importers also benefited from the budget Import duty was reduced by as much as 5 percent, a cost-saving measure that will rationalise the import tariffs and boost imports of raw materials

Vehicle assemblers, however, said the reduction would encourage the importation of more vehicles and parts

The budget deficit has been trimmed from 2,5 percent of GDP in the last financial year to 1,2 percent this year

Of about 200 money-losing parastatals, 143 have been sold, earning the government 374 million Kenyan pounds — Independent Foreign Service

~~I.M.F.~~

KENYA — GENERAL

1996 – 1997

All on board, but who should steer?

ALL parties in Kenya say they support moves to bring about constitutional reform, but an angry dispute has arisen over how to go about it, reports MUTHONI WANYEKI of the International Press Service in Nairobi.

(163) ARG 1/7/96

THE already heated debate over reforming Kenya's constitution has become even more acrimonious as the parties involved haggle over who should decide on the changes and when they should occur

The main bones of contention now are whether the amendments will be made by the National Assembly or a constitutional convention - which would include civil society - and whether they should precede general elections due in January, 1998

President Daniel arap Moi and his Kenya African National Union (Kanu) insist that amending the constitution should and will occur only in parliament which, they say, is the only institution that has a mandate to do so

Nor does Kanu appear prepared to contest the country's second multiparty elections - the first were in 1992 - under a new constitution Attorney General Amos Wako said this week it was now too late to change the constitution before the next polls

His statement drew sharp reactions from opposition parliamentarians, who noted that had Kanu moved on the issue when it first arose, the question of time would never have arisen

As early as 1992, Wako had promised that reform would be high on parliament's agenda but he has not proposed anything specific since then Similarly, no action followed Moi's assurance at the end of 1995 that Kanu would initiate constitutional change

Opposition parties want Kenya s bill of rights amended before the elections

They are also adamant that meaningful reform can only take place through a national constitutional convention which, they warn, is already in the making and will take place with or without Kanu's participation

But civil society - which has been the most persistent advocate for constitutional and legal reform - is hoping that the ruling party will come around to the idea of the convention

"We want the participation of not just the opposition but of the entire parliament, including Kanu," says Dr Maria Nzomo, political scientist and co-chair of the Citizen's Coalition for Constitutional Change (Four Cs)

The Four Cs, Kenya's largest reform lobby, includes civic education and legal groups, women s organisations, religious groups, trade unions and business representatives Together with the opposition Inter Parties Committee (IPC), it has been working towards a national convention since May and the two groups last week announced the formation of a convention secretariat

"Our interest is in the modalities of the process of reform," said Nzomo "Really, what's the worst that could happen at a national convention besides people expressing their views on what they want out of a new constitution?"

Reformists did win an unexpected victory last month, when a bill to review Kenya's electoral laws - sponsored by the opposition — sailed through parliament, where Kanu has an overall majority

The opposition also managed to get Kanu legislators to agree to re-examine laws that limit freedom of association and of organisation, including one on sedition, the Public Order Act and the Preservation of Public Security Act

However, some remain wary of the ruling party and believe that, faced with mounting pressure for change, it has simply chosen to avoid confrontation Others link Kanu's softer stance to pledges government officials made when they met bilateral creditors in the French capital earlier this year

"Don't forget that when Kanu allowed (last month's) bill to pass, government representatives had just returned from Paris where promises were made regarding progress on the political front," noted parliamentarian Kiraitu Murungi of the opposition Forum to Restore Democracy (Ford)

"Those promises were still fresh and lip-service had to be paid to honouring them," added Murungi

"My own feeling is that whereas on the surface, the government's decisions are a good development, we need to examine those decisions more carefully," noted Nzomo

"The issues are more fundamental, we need to go deeper," she said The opposition and civil society are pushing for at least a short list of constitutional reforms to be passed before the elections, including the restructuring of the electoral commission and legal guarantees of equal access for all political parties to state radio and TV

"Even a simple amendment requiring the successful presidential candidate to garner 51 percent of the total votes, instead of the current majority in five out of eight provinces could totally change the political landscape in Kenya," notes Murungi

"Kanu is aware of that, which is where all the delaying tactics come from"

Sapa-IPS

President Moi – he wants the National Assembly, where his party has a huge majority, to revise the constitution.

Investors sweeten Kenyan sugar

(163) CT (mr) 8/7/96

By Joe Khamisi

Nairobi — The entry of Tate and Lyle, the sweetener company based in Britain, has boosted the ailing Kenyan sugar industry, on the verge of collapse because of cheap foreign imports

The company, along with the commonwealth development corporation, has agreed to invest $35 million in a new sugar factory in Busia, in the country's western sugar belt

Analysts say that the investment is the largest single foreign injection in years

But they are divided over whether it signals a new investor confidence in the country

Despite recent high profile marketing campaigns, foreign financiers have shunned the country, citing economic and political uncertainties

In the past year, President Daniel arap Moi has travelled to Britain, Germany, Malaysia and Israel to woo investors Only Britain, Kenya's former colonial master, appears to be responding

A study released a few weeks ago by the Eastern Africa Association, representing 130 foreign companies, cited several factors hampering investment in Kenya

It said that corruption by public servants, increased operating costs, bureaucratic delays, violent crime, fraud and civil disturbance were barriers to investment

The problem was compounded by unreliable water and electricity supplies, and poor telecommunications and rail services

Tate and Lyle's involvement in the Kenyan sugar industry is not new Booker Tate, which Tate and Lyle owns jointly with Booker, is already working on the privatisation of another Kenyan company, the Mumias Sugar Company

"We are not interested in controlling the Industry," Sir Neil Shaw, the chairman of Tate and Lyle, said in Nairobi last week

"Our plan is to be a minority shareholder in the project as partners in the development of the sugar industry"

The new factory will join six other sugar processing plants

Kenya produces 400 000 tons of sugar a year, but consumption is estimated at 600 000 tons

The Busia plant is expected to boost production to about 712 000 tons by 2001

At present Kenya imports one third of its sugar Mismanagement, political interference and poorly maintained equipment keep production low

Liberalisation of the sector is also blamed for poor morale among farmers

The government is now urging farmers to expand the acreage under sugar and invest in irrigation to improve yields

But in an industry monopolised by the state, farmers are rarely paid on time and cannot afford the expensive inputs efficient production requires

Last year, 245 000 tons of sugar were imported, mainly from Brazil, Thailand, Belgium, Holland and Dubai

Under the agreement between the Kenyan government and Tate and Lyle, imports must not undermine the local industry

The biggest complaint from local producers revolves around the non-collection of duty on imported sugar, which they say give imports an unfair advantage over locally produced sugar

Sources claimed that the bulk of the untaxed sugar was being brought in by politicians

The country is also undergoing a shortage because of speculative hoarding by traders who want to drive the price up

The government said that it was gradually privatising the six state-owned companies to improve efficiency

It also planned to liberalise pricing, marketing and distribution to discourage the dumping of cheap imports

Apart from processing the primary commodity, the Busia plant will produce refined sugar said to be in great demand by food manufacturers No Kenyan company produces the product at present

The company has introduced modern processing technology and skills to improve production

"With good management technology and adequate capital to start with, this country can be self-sufficient in sugar production and can also help the local community in the provision of infrastructure and other amenities", Shaw said — Independent Foreign Service

Kenya's once robust coffee industry falls on hard times

(163) CT (BR) 15/7/96

By Joe Khamisi

Nairobi — Coffee, once Kenya's number one foreign exchange earner, has hit hard times

Industry officials said high production costs, unending wrangling between farms and state-run marketing organs, and government interference are threatening the future of the once robust industry

Coffee production has declined during the past seven years from 130 000 tons to 7 000 tons, and dwindled to third place behind tourism and tea as a generator of foreign exchange

Kenya produces only 2 percent of the world's coffee

One analyst said nearly 40 percent of coffee plantations had been ruined because of poor management Acreage had also been lost to human settlement and the growing need for subsistence farming

Many farmers who are not paid for their produce on time, shift to other crops A law carried over from the colonial era carries a penalty of up to seven years' jail for those uprooting coffee bushes But because of the confusion in the industry, farmers have not been deterred from getting rid of their crop.

A task force appointed by the government to work out liberalisation plans urged the government to allow farmers to uproot coffee bushes, with the condition that they "inform the coffee board on the number of bushes or area of coffee to be uprooted"

It recommended that farmers be paid directly, instead of channelling the money through middlemen, including local coffee unions, which had been accused of exploiting farmers

Liberalisation will also allow more commercial millers to enter the lucrative coffee marketing and export business

The task force said the moves would boost morale among farmers and maintain the high quality of Kenyan coffee But existing brokerage firms are opposed to the arrangement, fearing loss of profit

The Coffee Board of Kenya, the authority that licenses millers, brokers and marketers, said full liberalisation would lead to the industry's collapse

There is also disagreement between the board and millers over who should market the crop Until now, the board has been the only body allowed to sell locally grown and processed coffee

A few years ago, President Daniel arap Moi ordered that millers be given a free hand in marketing But that contentious directive has not been implemented — Independent Foreign Service

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Kenya tries to claw back into the 'Big 5'

(163) Star 24/7/96

Prestige as tourist destination has dropped off considerably in comparison to its southern neighbours SA and Zimbabwe

By David Orr
Nairobi

With the approach of the holiday high season in East Africa, tourism operators in Kenya are anxiously wondering if the country can ever regain the lion's share of this lucrative market

Once king of the safari scene, Kenya has been toppled from its plinth Last year, the number of tourists fell by an alarming 20% – from 863 000 to 690 000 – and earnings from tourism, the country's main source of foreign exchange, fell by 11%

Increasingly over the years, visitors wishing to view the "Big Five" set their sights southwards

With South Africa and Zimbabwe now drawing a greater number of holidaymakers, Kenya only just manages to hold its place among the continent's tourism "Big Five" Ahead of it lie, in order, South Africa, Tunisia, Morocco and Zimbabwe

So concerned has the Kenyan government become about the figures that President Daniel arap Moi has recently appointed a new organisation, the Kenya Tourist Board, to re-establish the country as a prime destination.

At its head is former British Airways executive Brian Davies, currently managing director of Kenya Airways

"An air of crisis has developed," admits Davies "But the situation is far from hopeless Kenya is the best-known wildlife destination in the world The wildlife in this country is unique What is needed is massive promotion of Kenya's assets If we can launch a satisfactory promotion campaign we could start to see its impact by next year."

Britain accounts for the highest percentage of visitors to Kenya Hence, the Tourist Board's decision to focus its attentions on the World Travel Market, the leading tourism trade fair held in London towards the end of the year

To sustain its promotion campaign, Davies believes the board will need an annual budget of up to R70 million a year

Foreign media blamed for many ills

Like many other developing countries around the world, Kenya has been faced with the dilemma of whether to promote itself as an exclusive or a mass package destination

The government has until recently pursued a goal of "One Million Tourists by the Year 2000", but this year, following the example of neighbouring Tanzania, which wants to keep its annual quota at half a million arrivals, the authorities have started talking of limited eco-tourism.

"Mass tourism lowers the image of the country and destroys the environment", says Davies

"We should go up-market The quantity of tourists is not so important, it's more about how much people spend"

Many tour operators believe the industry's problems have been caused by a failure to diversify While clients have become more sophisticated, the product – a few days at a game lodge followed by a trip to the coast – has remained much the same

The cliché of a lion surrounded by ten minibuses is all too real in both the Masai Mara and Amboseli game parks Yet of the 59 parks and reserves, only seven are visited by tour operators

The Kenyan government blames its misfortunes on negative publicity Most criticism has been levelled at the foreign press which has had a strained relationship with President Moi's ruling Kanu party since it won multiparty elections in 1992

The government says that coverage of Kenya's spiralling crime problem has been misleading

"Kenya has been battered in the press," says a spokesman for the Ministry of Tourism

According to one tour operator, the murder of Briton Julie Ward in the Masai Mara eight years ago continues to cast a long shadow over tourism sales, particularly in Britain.

South Africa is currently the only country in Africa to be included in the World Tourism Organisation's list of the world's top tourism destinations In 10 years, its ranking has moved from fifty-fifth to twenty-fifth place – The Independent News Service

Kenyans complain of harassment for their alleged support of Ethiopian rebels

SAPA-IPS

Nairobi – Tension is running high in the north of Kenya as residents claim persistent harassment by security forces for their alleged support of an Ethiopian resistance movement

"Since February last year, local people have been harassed by the police, the administration police and the military for allegedly being sympathisers of the Oromo Liberation Front (OLF)," claims Rashida, a resident of Marsabit town in Eastern province, in the central part of northern Kenya

"Our people, the Boran, are being arrested, remanded for lengthy periods without trial, beaten and women even raped"

Historically, insecurity has always been an issue in northern Kenya, where the infamous Shifta wars over the Kenyan/Somali border occurred

The isolation of this area from the rest of the country induces a sense of lawlessness Arms readily cross over the Ethiopian and Somali borders.

And the easy excuse of banditry has tended to give security forces a free rein to deal with the resident population

All these factors, sources say, play a role in the current unrest

"General insecurity always leads to more insecurity, creates more opportunities for harassment," notes Maina Kiai, executive director of the Kenya Human Rights Commission (KHRC), which is planning a fact-finding mission based on the reports received from the area

So far, it is unclear whether the government consciously sanctions the harassment of the local population At the June celebrations of Madaraka Day, to mark when Kenyan became self-governing, the local district commissioner (DC) singled out the Boran for materially supporting and giving refuge to OLF members

The provincial administration, he added, was aware of the sympathisers and promised to apprehend them all

A Kenyan member of parliament says the DC's June statement was more than a mild warning to the people in his area.

"It was more or less a threat and deeply shocked everyone present," says Jilo Fallana, MP of Saku for the ruling party, the Kenya African National Union (Kanu)

Star 25

14/9/96 (163)

Kenyan beverage industry fights off flood of counterfeit alcohol

(~~300~~)(5)(163)CT(BE)7/8/96

By Joe Khamisi

Nairobi — The beverage industry in Kenya is fighting to ward off a flood of counterfeit drinks, ranging from whisky to wine, that are jeopardising businesses and confusing consumers

"Liberalisation has exposed us to a lot of unscrupulous traders," a consumer said "We can no longer tell which wine is genuine and which is fake"

Rod Sweeney, a representative of William Grant and Sons International, the British-based whisky producer, said dealers of genuine products were facing unfair competition from suppliers of illegal whisky "We want to establish a bottling plant in Kenya but this problem of contraband whisky must first be settled"

Local manufacturers of soft drinks are also complaining "There has been an unprecedented influx of fruit drinks during the past three years, some of them much cheaper than our own," said one

The multimillion-shilling contraband trade is said to be aided and abetted by corrupt government officials who allow the products into Kenya without exacting full import duties and taxes

Often documents are altered and goods diverted Soft drinks meant for the Gulf end up on the east African market and many Kenyan stores sell drinks with labels written in Arabic languages that are incomprehensible to local consumers

Bottles of cheap wine are also craftily relabelled to reflect more expensive varieties and quality

Paul Chemng' Oren, the director of Kenya Wines Agencies, a leading wine importer and manufacturer, says "These illegal importers and tax evaders are the biggest threat to the liquor industry locally and internationally, even though their range is small"

He called for fair play in the application of Kenyan laws to guard against dumping of substandard liquor

"The law requires that importers provide a certificate to prove that the product has undergone the required ageing process of at least three years," he said

But industry sources are reluctant to comment on whether this requirement is strictly adhered to and the government has kept mum on the issue — Independent Foreign Service

VIEWPOINT

Kenya's Asians set the record straight

MOYIGA NDURU of International Press Service in Nairobi reports on a campaign to counter a wave of anti-Asian politicking in Kenya.

(163) ARG 7/8/96

A GROWING anti-Asian sentiment among politicians in Kenya has moved a group of Asians in the country to come together to respond and to set the record straight on their presence in the East African nation

The group, known as the Eastern Action Club for Africa (EACA), has been placing advertisements in local newspapers to emphasise the role Kenya's Asian community has been playing in the economic development of the country

It aims to follow this up with a book highlighting the role of Asians in Kenya's independence struggle over three decades

The EACA's reactions followed statements in May by leading opposition politician, Kenneth Matiba, who lashed out at what he saw as the domination of Kenya's economy by Asians, who are the descendants of people brought to East Africa by the British in the 19th century to build a railway linking the countries of the region

"You just drive around Nairobi and what you see is that all the shops are owned by Asians," he said "You go to Mombasa, all the shops are owned by Asians This has created a very serious situation where indigenous Kenyans think they have become second-class citizens in their own country"

Matiba, whose feelings were echoed by colleagues from other parties, warned that unless the anomalies were addressed, Kenya was sitting on a time bomb whose explosion could be disastrous

EACA Chairman Amin Gwaderi countered Matiba's claims

"To put matters into perspective, the total population of the Asians in Kenya is less than 70 000," Gwaderi said in an interview this week "This mere 0, 27 percent of the entire population is said to be responsible for the most significant contribution to the economy

"This 0, 27 percent creates employment, pays the majority of the taxes and anchors the foreign exchange earnings of Kenya Why then is it perceived as a threat to the economy by misguided politicians?"

A recent survey by Dr David Himbra, a Nairobi-based Rwandese economist, shows that in the manufacturing sector, for example, Kenyan Asians own 73 percent of firms, providing jobs for thousands of other Kenyans

"These figures show beyond all reasonable doubt that the Kenyan Asians have always had full confidence in the future of their country and so invested in its industry," the EACA stated in an advertisement placed in July in the *East African Standard*

Gwaderi, himself a businessman, said the Asian community contributed up to 80 percent of Kenya's gross domestic product (GDP)

'I think Mr Matiba is playing to the gallery," he charged "The problem is 70 000 Asians are not meaningful in terms of votes for him But the vote of the majority of Kenyans, if they are instigated in the right way, could possibly be a larger contribution to him getting in the presidency"

Matiba, head of the Forum for the Restoration of Democracy (FORD-Asili), has made the Asian issue a key plank in his party's platform for elections due next year

According to Gwaderi, the growing anti-Asian feeling is already hampering development efforts in Kenya "I think a lot of Asians are beginning to sit on the fence again because of the type of remarks Mr Matiba makes," he said

During a four-day state visit here late last month, Ugandan President Yoweri Museveni urged Kenyan politicians to drop their anti-Asian rhetoric "Expelling Asians is not a solution but a destructive measure," he said "Those who advocate such measures are simple-minded"

Asians have contributed considerably to East Africa's economy, Museveni said, adding "We should instead encourage more to come After all, they bring money and create employment and they don't take away anything from our region"

New law will curb the government's overdraft facilities

Kenya to overhaul central bank

CT(BR) 12/8/96 (163)

By Joe Khamisi

Nairobi — The Kenyan government finally appears intent on redressing long-standing anomalies that have allowed political interference in the functioning of its central bank and permitted crafty officials to milk it of huge sums of money

The government of President Daniel arap Moi has published a far-reaching Bill that, if passed, will stem government overdraft facilities at the bank and pave the way for better management of public finances

The Central Bank of Kenya Amendment Bill was published at the end of last month as a result of persistent pressure from the US and the World Bank under its enhanced structural adjustment facility

The central bank has been accused in recent years of being a conduit for millions of shillings paid out illegally to other banks with political affiliations

It was also accused of issuing falsified foreign-exchange contracts amounting to more than $200 million to a local businessman Several former bank officials are facing fraud charges

The Bill, expected to be passed by the end of the year, will increase independence of the bank by barring political patronage and restricting government borrowing

At present the bank's governor is appointed and fired by Moi, but the new Bill will give the governor security of tenure

While his appointment will still be made by the president, he can only be fired by a tribunal led by a high court judge if found to be incompetent

The finance minister will lose his power to direct policies at the bank However, the bank's governor will be expected to submit progress reports to the minister every six months to allow him to brief the national assembly

The limit of net credit to the government will be restricted to 5 percent of the level of ordinary revenue in the latest audited government accounts

Only direct borrowing will be allowed, meaning that securities purchased by the bank from the market to contain inflation will be excluded from the limit

Moreover, the credit will be secured to avoid risk of default

Any outstanding overdraft when the Bill becomes law will be converted into long-term government securities

Government borrowing from the central bank is often blamed for the expansion of money supply and increased inflation

"Where there is high inflation, investors are very unsure of the future, their confidence is destroyed since they cannot forecast the future," said Micah Chiserem, the bank's governor

Kenya has been able to reduce its inflation to single-digit figures during the past two years However, inflation went into double figures for the first time since 1994 in July, when the rate rose to 11,2 percent from 9,7 percent in June — Independent Foreign Service

Kenya plans coffee study

CT (PR) 19|8|96 (163)

By Manoah Esipisu

Nairobi — Kenya's agriculture ministry has commissioned a European Union-funded investigation to determine future marketing and management policies in its coffee sector

The investigation will consider the legal, regulatory and policy framework in the coffee sector and the roles of the coffee board of Kenya and the Kenya Planters' Co-operative Union, industry executives said last Thursday It will be carried out by Price Waterhouse, the audit and management firm

However, the investigation was rejected last Thursday by a special delegates conference of the Kenyan coffee board

The Price Waterhouse inquiry follows an investigation ordered by Simeon Nyachae, the agriculture minister which recommended the retention of weekly export auctions

Nyachae's office said it had no comment on the latest news

Split opposition parties strengthen Moi's hand

(163)

Michela Wrong

BD 22/8/96

ELECTIONS may not be due in Kenya until the end next year, but most Kenyans believe they already know the outcome of the forthcoming polls· another term for President Daniel Arap Moi, at the helm since 1978.

That prediction, which the British ambassador in Nairobi was tactless enough to voice in public recently, is not based on the popularity of Moi, who belongs to a minority tribe and has probably lost support since 1992 when he garnered only 36% of the vote

Rather, it is based on the condition of the opposition squabbling, self-obsessed and split as never before.

In a syndrome being repeated across Africa, opposition failure to rise above personal rivalries and tribal affiliations is reinforcing an unpopular party's hold on power, making a mockery of western donors' insistence on the introduction of multiparty democracy.

Once, in simpler days, the opposition consisted of FORD, a broad-based alliance that aimed to present a united front to the ruling Kanu Party Then came the first split and FORD-Kenya and FORD-Asili were born

Today, the choice is between FORD-Kenya (Wamalwa faction), FORD-Kenya (Raila faction) — both vying for official recognition as the main opposition party — FORD-Asili (Matiba faction), FORD-Asili (Shikuku faction), while the Democratic Party is riven by dissension

Safina, the party set up by opposition dissidents and conservationist Richard Leakey, remains unregistered more than a year after its launch, unable to build on the excitement that greeted its creation.

With a real possibility of each faction fielding its own presidential candidate, splitting the opposition vote five ways and repeating the scenario that handed Moi victory in 1992, small wonder even traditional opposition supporters are looking at Kanu with new eyes.

"The prevailing mood as we approach the elections is 'better the devil that you know'," commented Macharia Gaitho, columnist for the Economic Review, usually highly critical of Kanu "In retrospect . . it might have been a blessing in disguise that President Daniel arap Moi's corrupt and thoroughly discredited Kanu managed to retain power by hook or by crook "

Depressingly, tensions stem from inflated egos rather than ideological issues Raila Odinga challenges Michael Wamalwa for the leadership of FORD-Kenya largely on the basis of his membership of a parliamentary committee which last year cleared an Asian businessman implicated in the Goldenberg affair, the country's biggest ever finan-

MOI

cial scam The surprise finding triggered immediate suspicions that committee members had been bribed

But Odinga, son of Oginga Odinga, the late FORD founder, has always regarded the leadership of FORD-Kenya as his by right and was merely biding his time until an opportunity to stage a coup presented itself.

Kenneth Matiba, nominal head of FORD-Asili, has alienated party members with his autocratic ways, while refusing to acknowledge that several strokes while in detention have left him unequal to the job

The squabbling has not only undermined plans to field a single opposition candidate in the polls It is also sabotaging what many opposition supporters regard as even more crucial a campaign to reform a constitution heavily weighted in favour of the incumbent Proposals for a "constitutional convention" have, predictably, been held up by opposition bickering.

The disruption has provided Kanu with easy pickings, with a growing number of opposition MPs being lured back to the former single party. Political commentators were astonished by the rapturous welcome Moi received on a tour of Luoland — a FORD-Kenya stronghold where he would normally never have dared to trespass

Although its position looks strong, Kanu is aiming for more than simple victory. A two-thirds majority in parliament would allow it to alter the constitution and the party is determined to achieve that in order to scrap a provision preventing Moi running after next year. — Financial Times

Illovo wins big Kenyan contract

(163) CT 29/8/96

Staff Writer

Durban — Illovo Sugar, part of the CG Smith Group, announced yesterday that it had won a R21 million contract to rehabilitate a sugar mill in western Kenya

Illovo Sugar would act as project manager for the rehabilitation and expansion of the mill over a 14-month period This would result in an increase in the crushing capacity of the mill, and would improve factory efficiency and the extraction rate of sugar from the cane, the company said

The Kenyan mill, which is owned and operated by the South Nyanza Sugar Company on the eastern shores of Lake Victoria, is one of seven Kenyan sugar mills In the previous two years it has produced 68 700 tons of sugar, and it was hoped that after the completion of phase one of this project production capacity would rise to over 78 000 tons

Phase two will involve a further expansion of the mill, raising production capacity to over 124 000 tons a year

The decision to upgrade the mill and enhance its performance comes as a direct result of increasing cane supplies in the region from a rising number of small-scale growers, now estimated at over 1 500

Don MacLeod, the managing director of Illovo Sugar, said the decision to tender for the Kenyan contract was part of a longer term company objective to expand its international interests at the same time as keeping to its core business

"Illovo Sugar is well positioned to play a meaningful role in the development of other sugar cane-producing countries, particularly those in Africa that share similar operating conditions," he said

An Illovo project team was already on site, according to Glyn Taylor, the chairman of Illovo Sugar

Taylor said the company would in future pursue an "into Africa" policy to take full advantage of valuable business opportunities in sub-Saharan Africa

Milling costs lower Kenya coffee profit

(163)

By Manoah Esipisu

CT(OK) 10/9/96

Nairobi — High milling losses of as much as 24 percent and a steady rise in milling charges threaten Kenya's coffee sector, a government agency said on Sunday

It said that the liberalisation of coffee milling, the resultant enhanced competition and better technology had not eased milling losses or cut milling charges in one of Kenya's key farm industries

An agriculture ministry agency report on coffee milling showed that milling charges had soared in the last three years, although inflation was falling and labour was cheap and easily accessible

The report indicated that the Kenya Planters' Cooperative Union, until 1994 a virtual milling monopoly, had charged farmers 1 400 shillings (about R111) a ton to mill coffee during 1991/1992 (October/September) but raised the charges to 2 436 shillings in 1994/1995 and 3 770 shillings in 1995/1996

It said that Thika Coffee Mills, launched only two years ago, charged 3 480 shillings a ton to mill coffee and Socfinaf, one of the other five millers licensed since 1994, charged the cooperative union's rate of 3 770 shillings a ton.

"This would appear to be a cartel-like operation We would expect that with better technologies and more competition, charges would come down and farmers would earn a little more from their efforts," the report said "This is an area that requires streamlining to encourage increased production."

The report said that in the process of milling, the coffee beans were separated from the husks The husks comprised the milling loss and were sold for firing boilers and as mulch None of the Kenyan millers passed the proceeds of these sales to coffee farmers — Reuter

Economic gloom descends as Kenya starts rationing power

(163) CT(BR) 26/9/96

JOE KHAMISI

Mombasa — Earlier this week the lights flickered and then went out as Kenyan authorities implemented a three-month staggered power rationing plan that analysts say could seriously hurt the country's struggling economy

They are already predicting a fall in gross domestic product by 15 to 20 percent

For the second time in four years, industrialists have been forced to reschedule shifts and, in some cases, lay off workers as the government tries to cope with a combination of bad weather and faulty equipment at two of its principal generators

The last power rationing was in 1992, but since then there have been regular, unexplained power outages

The latest plan calls for power rationing throughout the country for a minimum of three hours a day Officials admit privately that shutdown hours could be extended, depending on rainfall conditions during the short wet season expected to begin next month

Officials say the two plants at Kiambere and Kipevu had to be closed down for extensive maintenance

Mbatau Wa Ngai, an economic commentator, says reduced industrial output occasioned by the shutdowns will be compounded by poor agricultural production, leading to the loss of thousands of jobs

The production cutdown could scuttle the government's hopes for a projected economic growth rate of 6 percent this year

Before the plan, Kenya suffered a shortfall of 50MW of electricity between the peak demand of 660MW and its generation capacity With the shutdown of the two plants, the shortfall shot up to 105MW

The production cutdown could scuttle the government's hopes for 6% growth

Warnings of impending rationing were given by the government as early as May

Poor rainfall in catchment areas is one of the official reasons, but analysts blame slow reform policies in the energy sector and negligence in maintaining equipment

The sector has not seen any new investments for the past seven years The government has failed to attract the donor funding of $1 billion required to develop new power generation capacity because of its recalcitrance on privatisation

The World Bank says funds will not be released until the government implements a privatisation plan to free the energy sector from government control

Despite assurances contained in two government policy framework papers for economic development in 1993 and February this year, no action has been taken to depoliticise the sector

Pressed for action, the government recently floated tenders for new projects to bridge the shortfall in power generation

Officials say three or more private companies will be contracted to generate power, which they will then sell to the national grid

But industrialists are said to be wary about the plan, the details of which have yet to be announced

Kenya is not alone in the energy nightmare

Its neighbours, Uganda and Tanzania, are unable to satisfy demand because of increased industrialisation, fast-growing populations and delays in project implementation

Recently, the Uganda government announced plans for thermal power generation to supplement peak-hour supplies

Demand there now stands at 228MW, leaving a shortfall of about 66MW

The government expects the problem to continue for at least six years as it struggles to install additional generators The situation has possibly been worst in Tanzania, with no end in sight for the immediate future

No action has been taken to depoliticise the sector, despite assurances in policy papers

Tanzania relies on hydro-power, but the frequent drop in water levels because of poor rainfall is pushing authorities towards the use of gas turbines

Officials say it will be many years before the country is able to satisfy national demand of 300MW — Independent Foreign Service

Investors still shun Kenya despite perks

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JOE KHAMISI CT(BR) 1/10/96

Nairobi — Direct investment in Kenya shows no signs of increasing, despite improved economic conditions and better incentives, according to last month's African Research Bulletin

The London-based publication said that many American multinationals had pulled out of the country but Asian investors, particularly from Korea and Japan, were filling the vacuum It said 115 of the 140 US firms established in Kenya in 1982 had left

But the latest report from the US embassy in Nairobi said 73 subsidiaries of US firms were still operating in Kenya Fewer than 30 percent of them were manufacturing subsidiaries while the rest were sales-based

The report said US banks still considered Kenya a high-risk country Analysts highlighted the country's unpredictable political future, deteriorating infrastructure and chronic bureaucracy as the main hindrances to investment

A German computer dealer in Nairobi said potential investors were being forced to divert their investments to South Africa and other African countries because it had become too costly to invest in Kenya An investor in the hospitality industry, for example, required 46 different licences and manufacturers needed 22 to operate in the country

Research showed that although some of the American companies had relocated because of stiff competition from local or foreign firms, others had been taken over by Kenyans These included the First National Bank of Chicago, the Commercial Bank of Africa, Firestone East Africa and Union Carbide Other companies closed down their Nairobi offices because ownership in the US changed hands

Analysts said there was no reason to attribute declining American investment in Kenya to deteriorating investment conditions But they agreed the pace of investment development in Kenya was slow when compared with other countries in sub-Saharan Africa, such as Nigeria, Morocco, Egypt and even Zimbabwe

Kenya has recently taken some drastic measures to attract foreign investment, including a 60 percent investment allowance for new investments and a 10-year tax holiday in the export-processing zones

The government has also removed price controls and passed laws to make repatriating profit easier But the one-stop shop concept envisaged by the Investment Promotion Centre (IPC) has not materialised Some potential investors have suspended investment plans midway, frustrated by the amount of paperwork involved Britain remains Kenya's biggest investor, the latest big spender being Tate & Lyle, which is injecting 1 billion Kenya shillings into a sugar factory in western Kenya

Last year, a French government investment company, Proparco, opened an office in Nairobi to look into investment opportunities Italian and German investors have substantial investments in the hospitality sector along the coast

As Western investors dally, the Asians are moving in Korea's Daewoo motor corporation said it planned to invest 55 million Kenya shillings (about R4 billion) in an assembly line in the country Manufacturers from Japan, Malaysia and India are reported to be on the brink of setting up facilities —Independent Foreign Service ß

No relief for 'rich' Kenya

25 (163) CT (BR) 30/10/96

JOE KHAMISI

Nairobi — Kenya is reeling under a $6,3 billion external debt, but stands little chance of immediate relief, not even from the multibillion-dollar international plan announced in Washington earlier this month

The plan, unveiled at the annual summit of the IMF/World Bank in Washington, aims at bailing out the poorest nations by scrapping up to 80 percent of their debt

One of the East African countries certain to benefit from the scheme is Uganda

It has recorded economic growth of 10 percent, reduced inflation to single-digit figures, has shown serious commitment in fighting corruption and appears to be on the road to recovery

But Uganda is struggling to free itself from a $3,8 billion foreign debt stranglehold Kampala wants the debt relief to begin as early as next year Talks between Uganda and the IMF have already begun

When completed the plan would reduce the country's debt repayments by between $80 and $100 million a year by the end of the century

Tanzania, on the other hand, attracts sympathy but has won little confidence from creditors Its less than enthusiastic response to structural adjustment programmes, unbridled corruption in high circles and unfocused trade and investment policies all appear to work against the country

But with a debt burden of $6,5 billion and an income of about $100 per head, chances of future consideration cannot be ruled out

But it is Kenya's story that is most poignant Nairobi has already been told it cannot qualify simply because it is capable of adequately servicing its debt Returning from the Washington meetings, Musalia Mudavadi, the finance minister, admitted this exclusion would cause problems

However, a criterion for selection is that the country must demonstrate it can put the support it receives to good use Denmark claims that 25 percent of all foreign aid to Kenya was not reaching intended recipients

There have also been too many financial scandals The Goldenberg scandal in which colossal amounts were paid by the Central Bank in export compensation claims for gold and diamond exports that allegedly never existed is one prominent example

Donors have expressed concern over large public expenditure not authorised by parliament — Independent Foreign Service

Attorney-general 'fails to prosecute'

Bent lawyers crook system in Kenya

(163)

ET (BR) 31/10/96

JOE KHAMISI

Nairobi — The legal profession in Kenya is going through a crisis of integrity

This year alone, the Law Society of Kenya received 787 complaints of professional misconduct, 569 of them relating to theft of clients' money

But the law society, which for years spearheaded public campaigns for transparency and accountability in government, is itself buried in a financial scandal involving misuse of thousands of shillings of members' money

The organisation has exceeded its budget and is now in the red

The woes in the lawyers' society appear to be symptomatic of the problems afflicting the entire profession

According to the advocates' complaints commission, a growing number of Kenyans are being ripped off by most of the 2 000 lawyers in the country The commission was formed in 1989 to deal with complaints regarding financial impropriety and professional misconduct by advocates

The law society has a disciplinary committee which recommends to the attorney-general on prosecution of errant lawyers Current laws are so inadequate that crooked lawyers are rarely prosecuted Permission to prosecute has to be granted by the attorney-general but lawyers complain that the go-ahead to do so is not given

The commission is wholly funded by the government which, says commissioner Peter Hewett, has drawbacks

"The attorney-general has failed to act, to the detriment of professional standards and clients' interests, in spite of receiving reports of proceedings indicting legal professionals and recommending prosecution," he said — Independent Foreign Service

US changes policy on Kenya aid

(163)

FROM AFP

CT(BE) 31/10/96

Nairobi — The US has decided to channel all future aid to Kenya through non-governmental organisations (NGOs) and private investment, instead of direct aid to the government, Prudence Bushnell, the US ambassador to Kenya, announced on Tuesday

In a big policy shift, Bushnell said, "The US was very unhappy that 1 billion Kenyan shillings (about R84 million) so far given to the Kenyan government as bilateral aid had left Kenyans poorer than before

"This bilateral aid is not working something has to change A friend cannot keep on throwing to another money which makes people poorer than they were before," she said

Bushnell, who took up her appointment in Kenya a few months ago from Aurelia Brazeal, said in the policy shift the US would invest 8,8 billion shillings, mainly through NGOs and the private sector

"My interest is to promote democracy in a non-violent way," Bushnell said, adding that experiences in Somalia, Burundi, Liberia and Rwanda and three years at the Africa Desk in the US State Department "had convinced me that outsiders can never impose democracy and peace on a nation It must come from within "

Kenya's 'hotel apartheid' under fire

(163)

Nairobi – Discrimination against blacks in Kenya's hotels is hampering the development of domestic tourism and giving the country a bad name.

Officials say the trend is common in Nairobi's tourist hotels In coastal hotels, where 60 percent of tourists holiday, the main target of discrimination is African women But black males are also routinely harassed They complain about poor service and rude treatment by mainly black staff.

"It is common for blacks to be served long after white guests in beach hotels," Amos Anyasi, operating manager at the hotel Rock Paradise, complained

A legacy of the colonial era, favouring whites, has existed in the hospitality industry for years

But it made news headlines in September when a black Belgian journalist, Yvette Rusalo, accompanied by her white fiancé, was barred from a hotel in Malindi A security official said Yvette was improperly dressed

But her fiancé, Charles Mann, said: "She was wearing a pair of jeans and a white blouse, while white foreign women were in bikinis and miniskirts." Mr Mann made a formal protest to the government and cut short their visit. – Independent Foreign Service

ARG 9/11/96

Kenya faces jobs dilemma

(163) CT(DR) 20/11/96

JOE KHAMISI

Nairobi — With unemployment hovering at 25 percent in Kenya, the informal sector might be the only safety net for some of the thousands of university graduates and high school leavers shut out from formal employment

Every year, tens of thousands of unskilled and increasingly younger people file out of classrooms into the already saturated job market

The public sector share of employment, which stood at 46,5 percent in 1993, has been declining following economic reforms imposed by donor nations

The government has been directed to trim 200 000 jobs to reduce government expenditure The tiny private sector is also not expanding fast enough because of the financial squeeze brought about by high operating costs and borrowing.

Scores of local firms have closed down during the past few years as a result of competition generated by economic liberalisation The hardest hit has been the textile industry

The flooding of cheaper garments, coupled with the import quota imposed by the US government two years ago on exports from Kenya, have virtually killed the sector

Of 14 companies which exported garments to the US in 1994, only four are still in operation

More than 100 000 workers are estimated to have lost their jobs in the textile industry alone during the past five years — Independent Foreign Service

Kenyans leaving the land starve to death

(163)

Star 21/11/96

Nairobi – Perennial drought, leading to a decline in farming and livestock activities in Kenya's north-eastern province, has begun to take a toll on the local population.

In Mandera district, at least five people are starving to death every day, said Aden Mohamed Noor, an assistant minister of planning and national development.

"The worst-hit area is Elwak division, where at least a person dies every day," Noor said in Kenya's leading independent newspaper, the Sunday Nation, recently

More than 40 people have starved to death in neighbouring southern Wajir, at Lagdera and Fafi in the Garissa district, according to Farah Maalim, an MP from the north-eastern district.

Kenya's assistant minister of transport and communications, Arale Hassan Ahmed, recently launched an appeal for assistance to the area

Relief food, he said, was needed for thousands of residents of Wajir district who face starvation

"There are also fears that more than 5 000 head of cattle will die if no remedial measures are taken urgently," Ahmed said

The government has sent 6 500 bags of maize to be freely distributed to the famine-hit families in the district and has promised to send more

But a parliamentarian for an area in the province has pointed out that the people need more assistance than just one-off food relief

"Currently, only famine relief in the form of maize is provided by the government in an irregular manner.

If the government is indeed serious about assisting its people, it must maintain regular supplies of relief and also make provisions for other necessities like cooking oil, beans and rice," he told IPS

The situation in the region is a result of poor rains for the past two seasons, and the pull-out of major international relief and humanitarian agencies which operated in the region at the height of the civil war in Somalia and the 1992/1993 drought

Relief agencies assisted the tide of refugees that flowed in from Somalia to escape the conflict there

However, their recipients soon included the local population, too

The local people abandoned the rural areas due to insecurity and to take advantage of the relief food in towns, explained Abdullahi Abdi of the Nairobi-based Northern Aid non-governmental organisation.

Many of these people are still in the towns, and farming and livestock production have declined dramatically

A town like Mandera, for example, with an original population of around 30 000 in 1992, jumped to about 100 000. Even after the departure of the Somali refugees, numbers still hover around 50 000 because of the influx of nomads from the rural areas who are now camped on the town's outskirts

Local and international relief agencies which had moved into the area in 1992/93, left or cut back their operations in 1994

The ongoing conflict in Somalia has also crippled cross-border trade, which was another avenue of survival for local populations Adequate food supply, especially in pastoral areas, is one of the major development issues facing this East African nation. – Sapa-IPS

Kenya Airways' profit dives as fuel costs rise

(163) CT (BR) 20|11|96

Manoah Esipisu

Nairobi — Kenya Airways, hit by rising fuel and labour costs, posted a 6,9 percent fall in first-half net profit on Thursday and said it was facing tough times after privatisation this year

Net profit before tax and foreign exchange was 638 million shillings (R51,5 million) in the six months to September 30, compared with 685 million shillings in the same period last year

"Forecasts for the remainder of the year to March 31 1997 include cost savings and revenue improvements as previously announced

"But profits are expected to fall below last year's results," Kenya Airways said

In the year to March 31, the company made a net profit before tax and exceptional items of 1,99 billion shillings, compared with 885,6 million the year before

"Industry analysts expect oil prices to remain at present levels for the time being and this will continue to depress operating profits," the airline said

Koome Mwambia, the company's public relations manager, said "We are facing some hard times But I think we should be able to pull through Half the year is not the full year"

John Munge, the managing director of leading brokerage house Shah, Munge & Partners, added "The results are actually good for an airline, taking in market conditions at the time"

Kenya completed privatisation of the airline this year, with Royal Dutch Airlines KLM buying 26 percent and another 51 percent floated on the Nairobi stock exchange

The sale of 235 million shares by the Kenyan government, which retained 23 percent, was the biggest privatisation so far on the Nairobi stock exchange

The shares were floated at 11,25 shillings, rose initially to 15 shillings but closed at 8,95 shillings on Wednesday

At the annual meeting last week, shareholders said they were unhappy about the poor share price performance, the airline's attempt to retain government-appointed directors and its inability to make any strategic decisions without the approval of KLM — Reuter

AFRICAN BUSINESS

Crossed lines in Kenya

CT(BR) 2/12/96 (163)

JOE KHAMISI

Nairobi — The Kenyan government appears to be sending conflicting signals over its intended plans to liberalise the telecommunications sector

About three years ago, it put in motion a programme of gradual liberalisation of the sector previously monopolised by the Kenya Posts and Telecommunications Corporation

It licensed private firms to install and maintain telecommunications equipment including three US companies AT&T, MCI, and Sprint, the British company British Telecomms and Italian Cable and Canada's Teleglobe

The companies were selling international calling cards that permitted subscribers to make calls from Kenya and overseas and be billed either directly or through international credit cards

But in mid-October, the Kenyan telecommunications corporation suddenly suspended the international services

The state parastatal said the country was losing money through widespread abuse

It said said although the services were intended for use mainly by tourists, exchange students and travelling businessmen, more than 4 000 resident expatriates had been found to be using them

The corporation claimed that the country was losing millions of shillings in revenue because home direct users were dialling overseas operators and reverse charging calls using the cheaper overseas rates

Officials said the government charged 15 percent VAT on all overseas calls, but incoming and call-collect card services escaped the surcharge

The corporation also claimed the foreign companies had breached an agreement that banned them from advertising their services locally

But industry analysts say the government action demonstrated the telecommunications corporation's inability to compete in the highly advanced telecommunications sector

Media reports quoted an AT&T spokesman who said because of the way the services were structured there was no possible way that anyone could be losing money

"We pay rates to the national telephone company on a per minute basis for each call made through the service," Sue Flemming said from New York

She said Kenya was reaping whatever it initially cost to make calls from Kenya

The move to suspend international services took foreign companies by surprise and was condemned by local businessmen Some said the move would scare away investors.

"A foreign investor wants to have a choice of communication companies, otherwise, he will go elsewhere," one said

Telecommunications officials say the corporation wants negotiations on new agreements that would guarantee fair competition This month, top officials of the foreign companies were expected in Kenya for talks on the matter

Analysts say Kenya's decision was a step backwards and put a question mark on the country's declared intentions to push ahead with the liberalisation programme begun five years ago

"Kenya must come clean and say whether it is really committed to the liberalisation of the sector," one industry official said. "Half heartedness will not do" —Independent Foreign Service

Ethnic killings wipe out entire Kenyan villages

By Joe Khamisi
Nairobi

(163)
Star 19/12/96

Heavily armed bandits killed 58 men, women and children last week in a raid on Turkana villages in the remote Samburu district of Kenya

Scores were injured and whole villages destroyed in the raid In a major security operation, hundreds of cattle, goats and donkeys snatched by the bandits were recovered Fourteen Pokot and Samburu tribesmen have been arraigned in court for murder

The shocking massacre was the latest in a series of senseless ethnic killings linked to cattle rustling that continue to underline insecurity in Kenya's remote rural areas

Officials believe the raid was a revenge attack arising from an incident in October in which Turkanas invaded Samburu villages, killing two people and stealing more than 2 000 animals.

Cattle rustling, especially along the frontier areas, and violent clashes over land disputes are legion in Kenya While most raids are inter-tribal, cases of cattle rustlers from neighbouring countries crossing the border and causing mayhem in Kenyan villages have been increasing in recent years

Last March, 55 Amankoke bandits from Ethiopia were killed in a gunbattle with Kenyan security personnel around the northern town of Marsarit. In the Tana river district bordering Somalia, hundreds of people have been killed during years of insecurity Ten were beheaded in a single daylight atrocity in October.

Rustling among the roots of conflict

Ethnic enmity between the Degodias and the Orma clansmen of Somali origin living in the district is responsible for a state of continuing instability This is exacerbated by incidences of highway banditry The situation is so serious that passenger and cargo vehicles entering the district from the port town of Mombasa must be escorted by heavily armed paramilitary-military police

Cattle rustlers who previously used bows and arrows now increasingly use automatic weapons Remote-controlled landmines have also been used by Somali bandits to blow up Kenya government vehicles and facilitate easy getaways

What has baffled many, however, has been the government's inability to curb the violence once and for all In land clashes that almost plunged the country into a civil war three years ago, more than 1 000 people were killed and many others displaced as the government did little to intervene

For almost two years Kalenjin and Kikuyu tribesmen battled it out in the country's Rift Valley region over land-settlement rights Government critics alleged it was ethnic cleansing to clear the indigenous Kalenjin territory of Kikuyu settlers The clashes which occurred during the run-up to the 1992 general elections were widely seen to be politically motivated

A parliamentary committee set to probe the clashes named several highly connected politicians and administrators as masterminds of the clashes President Daniel Arap Moi, himself a Kalenjin, denied any state involvement Instead he accused the opposition of fanning ethnic violence But almost all the violence in the frontier districts has its roots in rustling

Because of the remoteness of these volatile areas, government response is often slow and haphazard. – Star Foreign Service

▶ Bonanza for Nairobbery gangs

It's mob justice in declining Kenya

(163)

SAM KILEY

CT 24/12/96

NAIROBI: Sexual torture, rape, beatings, mob killings and massive corruption have become hallmarks of Kenya's judicial system over the past half decade, according to a damning report on the former British colony by the London-based African Rights

The human rights organisation said in a recently published book by Lucy Hannan that "Kenyan justice is corrupt and abusive; its machinery and ethos have collapsed".

Until the 1990s, Kenya's courts were seen by opposition figures and government officials as the one part of the administrative system that was beyond excessive political influence and free of corruption

But Hannan's book, *Kenya, Shadow of Justice*, shatters that illusion and gives a warning of violence and chaos in the run-up to next year's general elections

She said. "Rather than turning to formal mechanisms for justice, the average man and woman live in fear of it — from the routine violence of the police, through the corruption and inefficiency of the courts, to the congested prisons

"The profound crisis of faith in the justice system is, increasingly, leading people to use alternatives — often resorting to the horrifying violence of mob justice "

No one who has watched the inexorable decline in personal security and standards of services in Nairobi, the capital, could disagree with Hannan

Mob killings are an almost daily occurrence

Jacqueline Wangui Ngunja, wife of GG Njengi — a political activist sentenced in 1993 to four years for attacking a police station, an offence that was never on his charge sheet — was arrested in 1992 by 10 plainclothes policemen of the Kenyan CID

She was taken to their headquarters with Lydia, her teenage daughter Four policemen held her down while a female officer sexually abused her

She was told she would be shot if she did not sign a confession saying that she had been hiding firearms in her house She refused, was charged, released and rearrested

For the next two years she was forced to appear in court every fortnight for a "mention" Such stories are commonplace among the leading opposition political groups, but they have now become routine for ordinary Kenyans, as have the "extrajudicial executions" of suspected criminals on the streets

PRESIDENT MOI. A recent report by African Rights described his regime as one of the most corrupt in Africa

Two years of research in Kenya also revealed that the government of the Kenya African National Union now ranks as one of the most venal and corrupt on the continent

Last year, 1 798 prisoners died in filthy jails, 10 times more than a decade before

Even hospitals are no longer considered a sanctuary. Hannan details several cases in which former patients are held by force as indentured labour in sanatoriums after failing to pay medical bills.

Even hospitals are no longer considered a sanctuary Hannan details several cases in which former patients are held by force as indentured labour in sanatoriums after failing to pay medical bills.

Already reeling from a plunge in tourist numbers from 830 000 in 1994 to 600 000 last year, Kenya's tour operators are braced for another bad year.

Western diplomats, led by the British, have been impressed with Kenya's efforts at fiscal probity, which have reined in inflation to less than 7% and maintained a growth rate of 3,5% or more

Earlier this year, the West agreed to release US$800-million (R3,7-billion) in balance of payments support, frozen since 1990, in an attempt to force President Moi down the road to multiparty democracy — The Times, London

Moi battles to control revolt from inside his ruling party

(163) BD 14/1/97

Kenya's president is under siege from dissidents within his own party, writes **Michela Wrong**

ONE member of parliament has accused him of being anti-democratic. Two party members have gone to court, claiming he is in office illegally, and more than 30 parliamentarians have signed a petition calling for party elections he has no wish to stage.

If the challenges hurled in Kenyan President Daniel arap Moi's face were coming from opposition ranks, he could afford to laugh them off. Unfortunately they emanate closer to home, from his own Kenyan African National Union (Kanu).

The party that has ruled Kenya since independence from Britain is undergoing a revolution, the outcome of which will shape the future of east Africa's biggest economy.

It is also significant to the continent as a whole, for the democratisation of Kanu — belatedly coming to terms with multipartyism — suggests regimes across Africa, no matter how sclerotic, may be capable of renewing themselves.

"What we are seeing here is a battle for the soul of the party," said John Githongo, columnist for the business weekly East African. "It is a battle between multiparty Kanu and one-party Kanu."

The internal debate has been triggered by two certainties — that Kanu, competing against a divided opposition, will win this year's elections, and that it will then have to choose a successor to Moi, barred from standing again after this year.

But many trace the turmoil back to January 1995, when Moi, usually a tireless speech-giver and function-attender, disappeared from public life for a week, triggering rumours of a collapse.

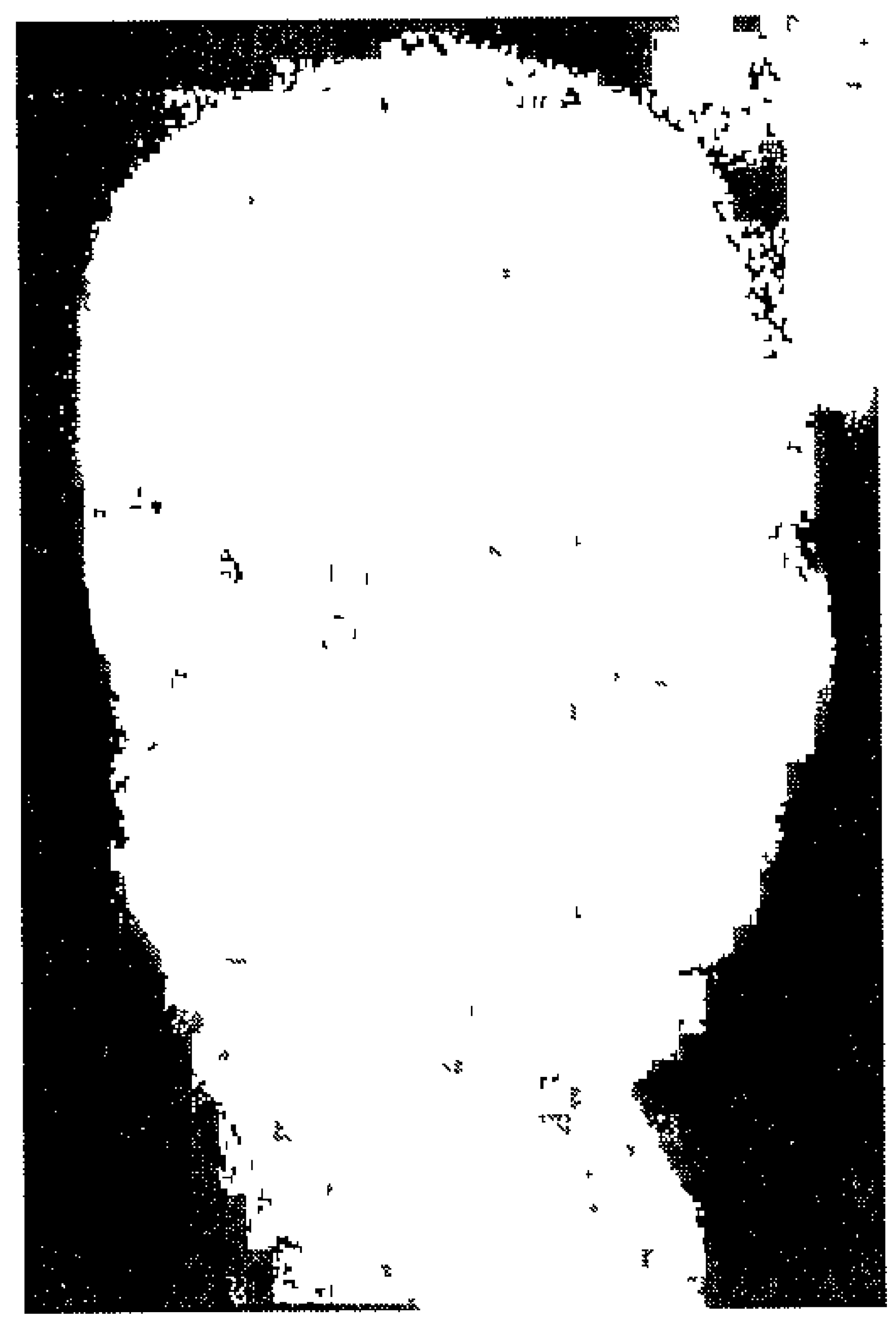
The reason for his absence was never established. But the incident focused minds on the fact that the president, now 73, was not immortal.

Kanu stalwarts with their eye on the top job began jostling for position, intent on undermining Prof George Saitoti, who, as vice-president, would automatically succeed Moi.

Simultaneously, unprecedented rumblings were coming from below. In April of that year a Kanu parliamentarian from western Kenya did the unthinkable by accusing Moi of being unable to stomach dissent.

Kipruto arap Kirwa's attack was extraordinary because it came from a Kalenjin, a member of the president's own tribe, and because it went unpunished.

The number of rebels has grown. Late last year, 34 parliamentarians, led by an assistant minister, sent Moi a petition calling for grassroots party polls, overdue by three years, to be staged. When that met with no response, two Kanu members went to the High Court, claiming that the national executive committee



ARAP MOI

— which includes both the president and Saitoti — was in office illegally.

At the heart of the revolt is increasing dissatisfaction among several ethnic communities who feel pledges made to win their votes in the last elections — new schools, roads and hospitals — have been reneged upon.

They also resent the stranglehold on the party enjoyed by an ageing generation of Kanu leaders, most of whom lost their seats in the 1992 elections and enjoy no popular support. Although it is officially denied, the party has split into two factions.

Kanu A, grouping Agriculture Minister Simeon Nyachae, Finance Minister Musalia Mudavadi and Local Government Minister William ole Ntimama, is pushing for grassroots polls before the general elections.

Kanu B, which includes Saitoti, former energy minister Nicholas Biwott — Moi's feared *éminence grise* — and Kanu secretary-general Joseph Kamotho, groups existing party barons. This faction represents the status quo and is opposed to party polls before the elections, believing they risk exacerbating internal divisions at a delicate moment.

"The danger is that those who lose in the party elections become so aggrieved they will not work for the party in the national elections," explains Kamotho.

He blames Kanu's ills on the opposition, which he claims would like to see divisions in their own ranks reproduced in the ruling party.

So far, the president has sided with the conservatives.

Moi has tried repeatedly, and unsuccessfully, to call the rebels to order.

Judicial officials due to study the court case have been warned against interfering in an internal affair. The president even threatened to reintroduce expulsion measures — scrapped five years ago — to Kanu.

However, the president is finding that his room for manoeuvre is limited.

Most of those agitating are doing so with the support of their constituencies, exasperated with headquarters' autocratic ways.

In the days of the single party, expulsion meant political death and obscurity.

Now Kanu dissidents can forge a future for themselves on an opposition or independent ticket, capable of wreaking even more damage to the ruling party than they are doing already.

Many political commentators believe that Moi's dilemma, which threatens to become more acute as his own importance wanes, is the most healthy development since the introduction of multipartyism in 1992.

Foisted on Moi by Western donors, the move actually changed little in Kenya.

As in so many African countries, a corrupt elite subverted the system, remaining in power by buying votes, outwitting an egotistical opposition and exploiting tribal tensions.

The war currently taking place within Kanu may be a sign that despite all the apparent reverses of the past few years, democratic accountability, once launched, is a process that cannot easily be extinguished.

"Finally power is being taken out of Moi's hands," said Githongo. "But it's not by the opposition this time, it is by Kanu itself. His own people are turning against him. Democracy is emerging in another form." — Financial Times.

Kenya agrees to import grain after drought damages crops

(163) BD 23/11/97

NAIROBI — Kenya is facing mass starvation following a widespread drought and the government has agreed to import large quantities of maize, officials say.

"Parts of the country are experiencing persistent drought and hence food shortages due to the failure of both the long and short rains," President Daniel Arap Moi said in a statement late on Tuesday.

Last month politicians from the north eastern province said dozens of people from the area had died of starvation. The claims could not be independently confirmed.

Thousands of people, mostly herdsmen and their families, in the arid and semiarid northeastern and eastern provinces are already dependent on food aid.

Earlier this month, the US Agency for International Development warned in a report that Kenya would have to import large amounts of food or face a disastrous famine.

"Farm households in the marginal areas of the eastern province face serious food insecurity following the imminent failure of the critical short rains," claimed the report, titled Kenya Vulnerability Update.

It recommended that the maize be imported duty free so the groups most vulnerable to famine could afford maize meal, which Kenyans use to make ugali, a thick porridge served with stew.

The so-called short rains in the semiarid eastern region of the country provide for up to 70% of the total annual crop production, but prolonged drought had already caused damage to the crop, the report said.

Maize prices in Nairobi have almost doubled in recent weeks with a 90kg bag rising from \$13 in January last year to \$25.

Arap Moi's statement did not say how much maize would be imported, but local economists estimated that the country would have to import more than 1,3-million tons of its total grain needs, including maize, beans, rice and wheat.

Maize is expected to constitute half the total food imports.

The agriculture ministry estimated that maize harvest in western Kenya, the country's breadbasket, for 1996/97 would be 2,1-million tons, down 200 000 tons from the previous year.

The United Nations World Food Programme planned to extend its feeding programme to about 130 000 school children in four drought-stricken districts in the eastern province and one in the coast province this year.

The agency provides maize, beans and vegetable oil for school lunch to the children.

One year ago, Kenya — which was once a major food exporter — exported maize to southern African countries following a bumper harvest. But lower prices have discouraged producers from keeping up production. Imports in 1995 caused a glut in the market resulting in poor production prices for farmers.

More than 80% of Kenya's land is arid or semiarid, making the country vulnerable to frequent droughts and food shortage. — Sapa-AFP

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(163) 60 23/11/97

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Food crisis hits Kenya – Moi declares disaster

ARG 30/1/97 (~~263~~) (163)

Nairobi – Kenyan President Daniel arap Moi has declared a national disaster because of food shortages caused by widespread drought and has ordered the finance ministry to waive taxes on food imports.

A statement issued by his office said: "The president has declared a national calamity or disaster that has been brought about by the current prolonged drought"

The statement continued. "This will enable the Minister of Finance to waive duty and value added tax on importation of certain specified foods like maize, milk and rice earmarked to feed people in the areas affected by drought."

Last week Mr Moi said Kenya faced the risk of starvation as a result of drought and that the government would import large quantities of maize, the country's staple food

Thousands of people in the arid and semi-arid North Eastern and Eastern Provinces are already dependent on food aid.

Earlier this week 23 Roman Catholic bishops urged the government to declare the famine a national disaster.

Economists estimate Kenya will have to import more than 1,3 million tons of grain this year – more than half of it maize, but also including beans, rice and wheat

The Kenyan agriculture ministry estimates that the maize harvest for 1996-97 in the western part of the country, the nation's breadbasket, will be 2,1-million tons

This is a drop of a phenomenal 200 000 tons from the previous year's harvest.

The drought is also forcing Kenya to extend power rationing as reservoirs at hydroelectric stations drop to disturbingly low levels – Sapa-AFP

AFRICAN BUSINESS

Oil companies refuse to drop pump prices

(163) CT (BR) 28/2/97

JOE KHAMISI

Nairobi — Oil companies in Kenya are continuing to defy government directives to lower pump prices despite a significant drop in international crude prices and angry authorities now say they will devise ways of punishing defiant companies with tax gains made from the extra earnings

Oil prices in Kenya at 36 Kenyan shillings a litre (about R2,79) are believed to be high compared with many others countries with super petrol retailing

Internationally, the price of murban crude from Dubai rose from $23,10 a barrel in November to $24,20 in December but dropped to $23,75 a barrel in January

The murban crude is used in Kenya as the benchmark to set prices of super and regular products

Apart from Total, all other seven oil companies in the country have refused to budge

At a press conference, Crispus Mutitu, the permanent secretary in the energy ministry, said continued defiance would not be tolerated "No government would allow oil companies to automatically take away windfall gains for ever," he said He said the time had come for oil consumers to be protected from exploitation as was the case in other democratic countries

Mutitu warned that Kenya might copy US policy where a non-recoverable tax was levied against oil companies that failed to lower prices when international crude oil prices dipped

But analysts said that for Kenya to do this, it would have to enact new legislation.

This latest encounter is a sequel to a long feud between the government and oil companies

Since the liberalisation of the sector in 1994, oil companies have been accused of operating like a cartel

Authorities claimed that oil companies had been quick to raise pump prices when crude oil prices increased but were reluctant to lower pump prices when crude oil prices decreased

'The time has come for oil consumers to be protected from exploitation'

But, company executives said there was no way that they could operate like a cartel "It is now a liberalised market," said Ben Soraci, the managing director of Mobil oil company "An open market means that our prices react to international crude prices," he said There is no way this market can operate like a cartel "

Mobil returned to Kenya a few months ago after an absence of ten years It had divested from the market mentioning market constraints The company recently acquired the assets of Esso Kenya through a deal with Exxon, Esso's parent company

Officials said an increase in oil prices had caused inflationary trends, slowed down money supply and negated the effects of the appreciation of the shilling

Increases were also blamed for adversely affecting agriculture and tourism by increasing transportation costs

But, oil companies said various factors such as changes in international crude prices, the shilling-dollar exchange rate, the taxation cost of transportation and profit margins had been taken into consideration when examining whether or not to change prices

The companies claimed that taxes and duties constituted a large portion of the pump prices "With these high taxes, there is no scope to reduce pump price because of a small drop in the cost of crude," one industry official said — Independent Foreign Service

IMF delays loan to Kenya (163)

NAIROBI — A second International Monetary Fund disbursement of $37m to Kenya under a soft loans programme has been delayed for three months because of what the fund sees as slow progress on privatisation, financial sources said yesterday.

Senior officials involved in Kenya's privatisation said a fund review mission in December was not completed because a privatisation timetable for Kenya Posts & Telecommunications was not presented.

The fund said the mainly structural outstanding issues concerned privatisation because donors did not want the Kenyan government to continue bailing out parastatals.

Last year, Kenya agreed to a $220m aid plan under the fund's soft loans enhanced structural adjustment facility. The first tranche of $37m was issued early last year and the second was due in November this year.

A privatisation official said the government was keen to see the fund review completed and when the team returned, the posts and telecommunications case would be presented. — Reuter.

g outside the remains of a home at Viladala, Iran. were injured in the earthquake, rescue and aid

Picture: AP

tims to be interred

Hospital director Dr Heinz-Eberhard Gabriel is against the city council plan. He argues that by burying the brains the Nazi crimes would attract attention for a short time. "It would be better to keep the organs in the memorial as a permanent reminder of the Nazi euthanasia programme."

The council is also searching for relatives of the victims — but there is virtually no hope that anybody will come forward. "An attempt in the 1980s was unsuccessful, despite the fact that we know the identity of each victim," says Gabriel. — Sapa-DPA.

Kenya's Moi set for 'democratic' poll

ARG 10/3/97 (163)

Kenya's last election, in 1992, the first multi-party ballot in 26 years, was declared to have "serious imperfections" by foreign observers

The party that had ruled since independence in 1963, the Kenya African National Union, was returned to power amid allegations of fraud

Never mind, clucked the observers, the next election, now due within a year, will be better

It won't None of the bits of the constitution designed for a one-party state has been repealed

Indeed, President Daniel arap Moi has several times let it be known he thinks multiparty elections are bad for Africa and that he tolerates them only because of pressure from Kenya's aid donors

So opposition parties get scant coverage in Kenya's government-controlled media Radio, the most influential, is exclusively in government hands except for a music station

Opposition leaders have frequently been beaten up by police and one party, Safina, has not been allowed to register

A law requiring a licence for all assemblies, including weddings and funerals, is regularly invoked to forbid political meetings, it is said identity cards essential for voting are being withheld in opposition strongholds This week, students rioted for two days in Nairobi, after one of their colleagues, Solomon Muruli, died in a fire that followed an explosion Last December, Mr Muruli had been abducted and tortured – by the police, he said

Public confidence has taken two other knocks recently One is the reappointment by President Moi of Zachaeus Chesoni, a former judge, to head the electoral commission After the last election, it was revealed that Mr Chesoni was a former bankrupt with debts of more than $750 000 who had been forced to retire from the Bench in 1984

Re-appointed by Mr Moi in 1990, he was forced off a second time when his debts grew The government, however, then told the state-owned Kenya Commercial Bank, his chief creditor, to stop pursuing the debt Mr Chesoni was appointed to run the election soon afterwards

The second knock concerns another re-appointment, that of Nicholas Biwott, who was recently made minister of state in the president's office

Known as "Total Man", a nickname he gave himself, Mr Biwott is a former minister of energy and personal assistant to Mr Moi He has been widely accused, both at home and abroad, of corruption He was also named as a suspect in the murder of Robert Ouko, then Kenya's foreign minister, in 1990 The detective (from Britain's Scotland Yard) in charge of the subsequent inquiry blew away the government version of events and said in court that he suspected Mr Biwott, who had refused to be interviewed The incident forced Mr Moi to drop him

Why should Mr Moi be prepared to offend foreign donors by making such a controversial appointment? The answer is that, although assured of electoral victory, the ruling party is in danger of falling apart

In the 1992 election, it faced opposition parties based on two of Kenya's largest ethnic groups, the Kikuyu and the Luo

To be sure of success, Mr Moi had to persuade other, smaller, groups to vote for him They did, in return for promises that have never been kept A serious split recently began to open up in the party

In January, Mr Moi acted, sacking the rebels and appointing the faithful Mr Biwott to crush them Mr Biwott, a Kalenjin like Mr Moi, also has good connections among rich Kikuyu businessmen

Simultaneously, Mr Moi has brought in a hatchet man to deal with dissidents and opened up a line to the only ethnic group that could help deliver over 50 percent of the vote, a figure Mr Moi is keen to achieve

Already independent-minded civil servants are being replaced by Biwott allies. Mr Moi's share of the vote may rise, but at a cost – The Economist

Kenya's coffee industry under siege

(163)

Th [illegible] ng to distort sales by central auction and tak [illegible] ncy in coffee marketing [illegible] 1995 96 coffee is Kenya [illegible] ird largest hard currency earner behind touri[illegible] and [illegible]

CT(BR) 16/4/97

Investors urge Kenya to curb corruption (1.3)

[illegible] business leaders urged Ken[illegible] yesterday to improve infrastructur[illegible] and cut corruption to encourage investment in th[illegible] country. Daniel arap Moi, the Kenyan president, [illegible] own to Kenyans that infrastructure [illegible] on posed "a great chall[illegible]" [illegible] d was one of Kenya's major [illegible] ities. Brit[illegible] £1 billi[illegible] th more than [illegible] last [illegible] mbined trade of over £4[illegible]0 million [illegible] er Nairobi

CT (BR) 10/4/97

Kenya, Tanzania in row over maize seed

CT(BR) 16/4/97 (163) (...)

ROBERT OTANI

Kisumu, Kenya — A row over Tanzania's importing of substandard maize seed varieties is dampening the new spirit of co-operation in east Africa

In January last year, Tanzania's agriculture and livestock ministry banned the importing of two maize seed varieties from the state Kenya Seed Company because the importers had breached government regulations that any seed from outside the country be tested for three years before import approval is given

Kenya Seed has been unsuccessfully canvassing for the lifting of the suspension

Seed imports are tested to verify if they are true to type, to establish their suitability for a particular environment, and to ensure they are free of disease

Lumbadia Nunga, a seed technologist at the Tanzanian agriculture ministry, said recently the Kenyan company or its agent had to provide parent lines of the suspended seed varieties for testing

Paul Kimiti, the Tanzanian agriculture and livestock minister, said "If we allow the importation of seed without testing it, this will adversely affect maize growing in our country Things must be done in a scientific manner and with the approval of the government"

Lawrence Kamau Mugere, a Kenya Seed official, said the banned seed was tested and approved by Kenya's Tropical Pesticides Research Institute

In October last year, the Kenyan firm appointed as its agent the Tanzania Farmers Association Up to the time of the ban 40 000 tons of the seed had been sold, according to Kenya Seed

Tanzanian government seed specialists said the farmers' association was not a legal importer, but a stockist that did not seek government approval to import the seed

They said laboratory tests carried out by the agricultural research institute when the seed was first imported, under a drought emergency plan in the 1980s, did not include some genetic aspects

Kenya Seed is under fire from various organisations that claim the company imports and distributes substandard seeds

The Seed Trade Association in Nairobi is concerned over the company's importing of low-quality varieties of seed that have not been tested by the Kenya Agricultural Research Institute but are being sold to local and foreign farmers

JL Shah, the secretary of the trade association, said it had received complaints from overseas buyers about the flagging standards of French monel beans and Indian vegetables in particular

The parastatal Agricultural Development Corporation accused the seed company of failing to test the seed it imports, and said that the seed spreads a fungal maize disease

Walter Kilele, the managing director of the development corporation, said it had lost 54 million shillings (R4,4 million) after an attack of the disease on its 1 754ha maize crop

He said the disease affects maize planted from the SC50I variety imported from Zimbabwe three years ago "The disease has been identified in South Africa, where it is called the grey leaf" Johnson Thaiya, a Kenyan agricultural scientist, said the air-borne disease could destroy adjacent fields — Independent Foreign Service

Dolphin chief fails to attend fraud hearing in Kenya

(163) BD 21/4/97

NELSPRUIT — Kenyan tycoon and Dolphin Group president, Ketan Somaia, arrived in SA last week to launch a public relations campaign designed to convince the public of his credibility — just days after refusing to appear before a Kenyan public accounts committee hearing on tender fraud.

Somaia was asked to appear to explain his part in a R34m tender fraud eight years ago when a British company that he represented in Kenya failed to deliver police equipment after being paid by the government.

Somaia said at the weekend he refused to attend the hearing because "the goods are now starting to be delivered with almost 86% of the tender being completed, so I don't understand why they are making a fuss. I sent some of my people to tell the .. public accounts committee that I don't have to attend ... all I did was represent the guilty company in Kenya as its agent."

Somaia tried four months ago to secure an exclusive monopoly on vast chunks of Mpumalanga's state-owned game reserves and other tourism attractions for 50 years.

The legal fraternity in Kenya wants Somaia extradited from Dubai after earlier refusals to testify and his alleged use of President Daniel arap Moi's name to promote himself in SA.

Kenya's parliamentary officials said Somaia's failure to appear at the hearing had again delayed the probe into the alleged fraud. The committee met on Friday to discuss what steps to take against Somaia, who also faced possible legal action by Arap Moi's office after the president accused Somaia and Mpumalanga Parks Board CE Alan Gray of "provoking the presidency" by claiming Arap Moi had written a letter exonerating Somaia from dubious business dealings in Kenya.

Gray claimed he had received such a letter from Arap Moi and used it to argue against reports about Somaia's questionable past. However, Gray refused to produce the letter, at first insisting that he needed Arap Moi's permission but later saying he needed legal counsel from Somaia's attorneys before doing anything. — Sapa

Fiscal and monetary policy executed in line with recommendations

IMF holds aid carrot for faster Kenyan reform

CT (BR) 21/4/97 (163)

From Reuter

Nairobi — Kenya was on course to receive a further $37 million in IMF assistance after a review of structural reform programmes showed that the country had made satisfactory progress in significant policy areas.

But the IMF warned yesterday that progress was still slow, particularly in privatisation and public enterprise reform, and urged greater effort in these areas.

Commenting after a mid-term review of Kenya's economy, Hiroyuki Hino, a senior adviser at the IMF, said he would be recommending the completion of a review which would free the second tranche of a $74 million enhanced structural adjustment facility.

The three-year facility totalled $220 million, of which $74 million was for last year.

Hino said fiscal and monetary policy had been executed in line with recommendations.

"The external balance of payments remained strong and international reserves increased," he said. "Inflation was higher than expected, due to the drought, but underlying inflation remained broadly under control."

But Hino said real growth for last year was estimated at 4,6 percent — below the 5 percent target.

He said there were renewed instances of "a lack of discipline" in public finances, particularly irregular purchases in the health ministry and the awarding of contracts to independent power producers.

The government had pledged to tighten internal purchase processes and had commissioned an independent review of the tender process used in the power contracts.

Hino said the IMF would review its arrangement with Kenya and if the reforms were approved, the $37 million would be available in June.

Kenya had asked the World Bank to organise a consultative group meeting in July to discuss how to use the funds.

GREATER EFFORT *Progress is still slow in privatisation and public enterprise reform*

Sugar producers stir state authorities to take strong action to protect their local market

Kenya clamps down on illegal imports

(163) ET (BR) 22/4/97

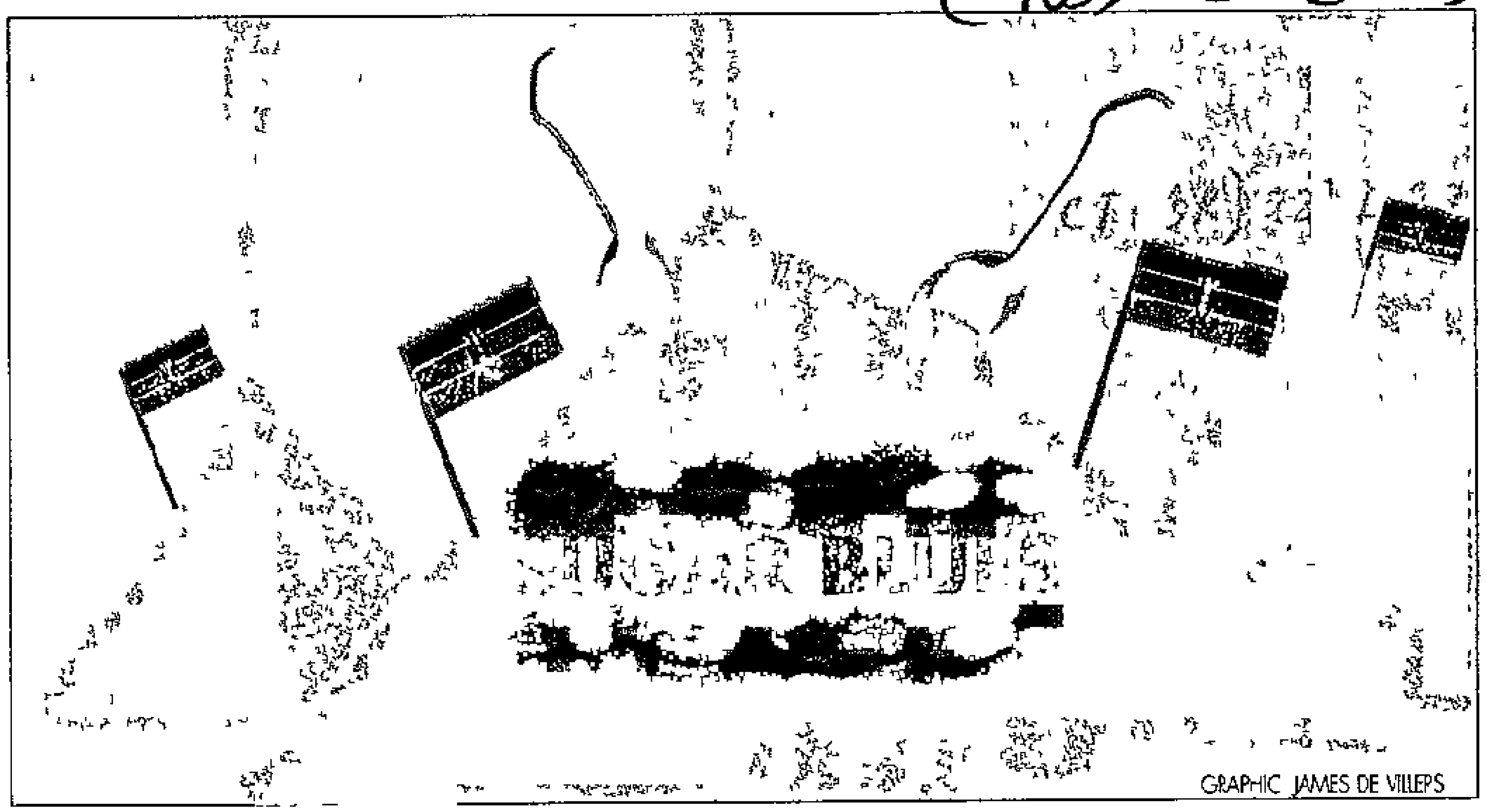
Edmund Kwena

Mombasa — Kenyan authorities have announced new measures to stem illegal sugar imports and have impounded thousands of tons labelled for transshipment but found stored privately

Kenyan revenue officials said shippers of sugar in transit for other countries must now deposit with the customs department a bankers' guarantee against imports into the local market

Finance ministry officials have complained about sugar making its way into the Kenyan market without taxes being paid, making it cheaper than local produce Kenyan ports officials have detained two ships that arrived at Mombasa with 9 600 tons of sugar for transshipment

The Ar Arrabu with 6 600 tons from Thailand arrived on April



GRAPHIC JAMES DE VILLEPS

12, while the Trunorsk with 3 000 tons from Sudan arrived on April 14 Both were being held while importers sought clearances that met the new regulations

Customs officials said they had seized a large amount of sugar found stored in a private home instead of a bonded warehouse

Customs, revenue and Kenya Sugar Authority officials said they had also seized 250 000 100kg bags of sugar in a warehouse They suspected the sugar was labelled as being in transit but then offloaded into Kenya

Francis Chahonyo, the Kenya Sugar Authority chief executive officer, last week said he had demanded from ports authorities details of sugar imports this year and taxes levied. He called for tax evaders to be severely punished

In February, President Daniel arap Moi ordered a crackdown on illegal imports after local millers complained they were unable to sell their sugar in the face of unfair competition

In 1995, Kenya raised value-added tax on imports to 6 from 5 percent, confirmed a sugar development levy of 20 percent, raised a blanket sugar levy to 25 from 15 percent and launched a variable dumping duty of $105 83 per ton

But in the first quarter of this year the government suspended taxes on essential commodities to encourage imports for drought relief Government officials said all sugar taxes had since been restored

Kenyan ports officials said 105 270 tons of sugar has been imported in the first quarter of the year They did not provide comparative figures for last year The country's production is forecast at 420 000 tons in 1997 against consumption of 560 000 tons,

The ports authority figures show most sugar was imported from Brazil, Thailand, Romania, India, Britain, Belgium and Paraguay Thailand was the dominant player in the market, with 39 849 tons Brazil, from where 101 236 tons was sourced last year, provided only 9 012 tons in the first quarter — Reuter

Opposition's failure to agree on presidential candidate means Moi is frontrunner for fifth time

Star 29/4/97 (163)

By Joe Khamisi
Nairobi

The countdown to Kenya's general elections scheduled for later this year began this month with the nationwide registration of voters

Almost 10 million out of the country's estimated 28 million people are expected to go to the polls to choose a president and parliamentarians to lead the nation into the next century

This will be Kenya's second multi-party election and President Daniel Arap Moi's fifth – and constitutionally his last – attempt at re-election

He has ruled the country since the death of Jomo Kenyatta almost 19 years ago As with the 1992 polls, this year's election will be held under a cloud of suspicion by the opposition who claim the polls will not be free and fair without minimum constitutional reforms

Early in April the opposition, political NGOs and church groups gave Moi a June 1 deadline to agree to reforms or face civil disobedience

Among changes they want are a constitutional provision for a coalition government, an independent electoral commission to replace the present body appointed by Moi, equal coverage by the state-run media, and the repeal of laws that provide for detention without trial and stifle freedom of expression

They also demand that a presidential winner should garner more than 50% of the overall votes Presently, the winner needs only 25% of the votes in at least five of the eight provinces to be declared victor

Two parties will boycott the election

"If no minimum reforms are undertaken, an explosion of violence and a failure of the government could trigger off a serious crisis," one said

Moi says no such reforms will be instituted before the polls

Analysts predict a chaotic collision between Moi and his detractors as the election – the date of which is still to be announced – approaches

Already, two parties have hinted they will boycott the exercise, but the disintegration of the opposition and its failure to agree on one presidential candidate give Moi the advantage of being the frontrunner

The opposition ranks are hopelessly divided over who should be nominated as joint candidate to face Moi.

The three leading groups, Ford Kenya, the Democratic Party and Ford Asili, have been reduced to wrangling factions This has left many ordinary Kenyans confused and politically restless

"Another five years of corruption, land grabbing, mismanagement and official high-handedness under Moi may not necessarily be what Kenyans want, but there appears to be no alternative," one observer says

Many, therefore, believe there is no chance that the Kenyan leader will accede to opposition demands for constitutional reforms

"He knows he has the presidency virtually wrapped up unless a miracle happens," one says

In the meantime, Moi continues to ensure that opposition politicians are not allowed a level playing field

Their meetings are routinely disrupted by police, they get no coverage in the state-run media,

Zero growth after years of plunder

and their motions are often defeated by the Kanu-dominated parliament

However well-intentioned their proposals may be, despite all the evils of his rule, Moi is roundly credited for maintaining peace in a country largely surrounded by turmoil

"But peace without economic transformation means little," a university lecturer says

"It is sad that a country endowed with abundant resources is unable to feed itself, lacks basic drugs in hospitals and has an education system which still allows pupils to study under trees "

Until 1994, Kenya – listed by the UN as the 17th poorest nation in the world – had zero economic growth because of years of plunder by the powerful elite

It was only after threats of aid cuts by donors that serious economic reforms were undertaken and a 4,9% growth achieved in 1995

Economists say Kenya must attain an eight percent growth rate for trickle down effects to be felt by Kenyans in areas of poverty and unemployment

According to some economists, it will take 48 years given the present rate of growth to achieve that target

"If we want to grow," a local business executive says, "we must eliminate corruption and have a political system working for the people of the country and not power brokerage "

It was noted at a meeting of the privately-run Institute of Economic Affairs last month that Kenyans are today poorer than they were at independence in 1963 – Star Foreign Service

Foreign investors vie for Kenyan telecoms

BD 2/5/97 (163)

NAIROBI — Foreign investors are lining up for a stake in Kenya's telecommunications industry in the wake of last year's successful flotation of the national carrier, Kenya Airways

British Telecoms, AT&T and companies from Malaysia, France and Japan have recently all met executives from the Kenya Posts & Telecommunications Corporation (KP&TC) and privatisation board officials to discuss the sale.

But telecoms and financial analysts warn that investors are alarmed by suggestions from senior Kenyan officials that local investors should be given priority

Interest has been heightened by the publication two weeks ago of a bill that seeks to divide KP&TC into separate posts and telecommunications firms and also create a sector regulator

"Kenya will not be without international interest Many companies are examining the progress and what stake they can bid for," said UK diplomat Steve Martin.

KP&TC has already privatised its directory publishing and paging services and is in talks with British firm Vodafone on setting up a cellular phone company It is also talking to a Canadian company about replacing land lines with a radio network

But the biggest prize remains Telkoms Kenya, to be hived off from KP&TC when, if as expected, parliament approves the bill

Nairobi Stock Exchange CEO Job Kihumba said investors saw the partial sale of Telkoms as the next logical step by the government after the success of last year's flotation of Kenya Airways

The Kenya Airways sale was boosted by a purchase of a 26% stake for $26m by Royal Dutch Airlines KLM and a government decision to float another 51% through Nairobi's bourse

KP&TC MD Jan Mutai said that KP&TC planned to sell only about 30% of the government stake in Telkoms — and that to "local strategic investors"

World Bank official Ian Knapps rejected that position as not reflecting government thinking "Strategic alliances are an option A strategic partner brings in expertise and funds and clearly in this case it does not preclude foreign investors"

He said consultants — paid for by the World Bank — would examine privatisation options

According to KP&TC public relations manager Dick Rayori, the company posted after-tax profits of $67,92m in 1995/96. He could not give comparative figures for 1994/95 or a forecast for 1996/97.

Kenya's privatisation board has set December next year as a target date for the sale — Reuter

Sigcau warns W Cape on sale of state assets

'Consult central government first'

(1b3) ARG 7/5/97

WILLIAM-MERVIN GUMEDE
Political Staff

Public Enterprises Minister Stella Sigcau has warned the Western Cape and other provincial governments that they may not go ahead with selling state-owned assets in the provinces without consulting national government.

Ms Sigcau was responding to plans by the Western Cape government to sell off provincial state assets to fund capital projects, such as the construction of roads and buildings

Finance MEC Kobus Meiring, in his budget speech in the provincial legislature, announced that all unused and costly fixed assets in the province would be sold and the proceeds transferred to a loan fund to bankroll new capital projects

The Western Cape government also plans to rationalise office space in Cape Town saving up to R110 million over three years

Mr Meiring has set aside R13 million for 1997/98 to kick start what he called the "most ambitious provincial privatisation programme in South Africa"

Ms Sigcau warned that any privatisation drive by the Western Cape or any other province, should follow a structured route, approved by national government

"National government has to agree with the route of privatisation taken by the provincial government before privatisation can take place," she said

Ms Sigcau said national government had laid down strict criteria for the selling off of state assets She expected the Western Cape government to follow the guidelines

An inter-ministerial cabinet committee has already been appointed to oversee all privatisation of state-owned assets

She said her department would meet soon, preferably next month, with provincial governments to outline the national government's position on the privatisation of provincial state assets

The national government's preferred method of privatisation was to seek strategic equity partners for each provincial state-owned company

Privatisation should also be to the benefit of historically disadvantaged groups in the provinces

Ms Sigcau said the committee overseeing privatisation had agreed that shares in restructured enterprises should be sold, at a discount, to the National Empowerment Fund (NEF) which would be set up to empower historically disadvantaged communities

It was the national government's intention that funding schemes would be developed with the private sector to enable the disadvantaged to get shares in the NEF

"These principles have been accepted by the inter-ministerial cabinet committee and will soon be discussed at the level of the portfolio committee and with labour and other stakeholders," she said

She said the national government had also agreed that the employees of state-owned enterprises that are privatised should benefit through employee share ownership schemes The inter-ministerial cabinet committee had endorsed the share scheme with a limit of approximately R10 000 per employee

Ms Sigcau announced this week that the Government expected the restructuring of five large state-owned enterprises – South African Airways, Safcol, Alexkor, Aventura and Eskom with a joint turnover of R40 billion – to be completed or to be nearing completion in the next 12 to 18 months

Kenyan enterprises enjoy offshore credit

(163) CT (BR) 13/6/97

JOE KHAMISI

Dar es Salaam — Kenyan entrepreneurs, constrained by high lending bank rates, now have an offshore line of credit from which they can borrow local and foreign currency for industrial and commercial ventures, says the state-owned Industrial Development Bank (IDB)

Almost $20 million has been obtained by the IDB for lending purposes at interest as low as 12 percent The local commercial lending rate is between 25 and 30 percent

Almost $20m was obtained for lending purposes at interest as low as 12%

The loans range from a minimum of 3,5 million Kenyan shillings (R291 620) to a maximum of 106 million shillings or their US dollar equivalent

The Export Import Bank of China has provided a credit of $10 million to be used specifically for the importation of plant machinery and industrial raw materials from China This is a seven-year programme in which the Export Import Bank will make 80 percent of the total contract value available to the Kenyan entrepreneur

The balance has to be deposited with the IDB by the applicant before the contract can be approved

The Cairo-based African Export Import Bank, a trade finance subsidiary of the African Development Bank, has offered $5 million to assist Kenyan importers and exporters to trade with companies within developing countries Another $3 million is due to come from the Import Export Bank of Korea for a wide range of imports from that country

The IDB is already managing a facility of the European Investment Bank Global Enterprise, which provides expansion and start-up finance to projects ranging from agro-industry to manufacturing, fish processing and tourism — Independent Foreign Service

Kenya waters down its stake in local Stanbic

CT (BR) 15/5/97 (163)

Joe Khamisi

Dar es Salaam — The Kenyan government has drastically reduced its stake in Stanbic (Kenya), allowing the only co-shareholder, the Standard Bank of South Africa, to assume near full control of the banking institution, Kenya's Financial Standard reported on Tuesday

Quoting government sources, the weekly pull-out edition of the Standard newspaper said the government retained as little as a 20 percent stake, leaving Stanbic with 80 percent

The government's initial 40 percent share was reportedly watered down by more than half through a rights issue Such an issue occurs when a company creates new shares for offer in a bid to boost its share capital

The sources indicated that the South African Standard Bank had injected additional funds into the institution, effectively reducing government participation

"It is understood that both the government and the SA partners were requested to chip in additional funds towards improving the bank's capital base, but despite several reminders, the government remained reluctant to commit the funds, thus giving the former an opportunity to meet the investment requirement," the paper said

The actual South African commitment was not divulged Analysts said the government's refusal to commit further funds was in line with its aim to divest from private investments in tune with IMF/World Bank recommendations

"We leave this (business) to the private sector, ours is to facilitate and create an enabling environment for the private sector to thrive," the government source said

But some analysts described the move as unfortunate in view of the viability of the bank Further reports said the share reduction move would eventually lead to a complete government pull-out from Stanbic

Negotiations between the government and the SA bank were ongoing, according to the paper It also said the bank was reluctant to give up its pre-emptive rights and was not eager to be listed on the Nairobi stock exchange

Stanbic was established in Kenya after the thawing of relations between SA and Kenya about five years ago —Independent Foreign Service

Kenya expects 'mild' growth

BD 28/5/97 (163)

NAIROBI — Kenya, forecasting mild economic growth this year, yesterday described its infrastructure as dilapidated and said real interest rates were too high for business

Vice-President George Saitoti blamed drought for increasing the budget deficit and slowing gross domestic product (GDP) growth He saw GDP growth at 5,25% this year (4,6% last year) and lower than earlier projections of 7%.

Saitoti said the government was concerned about high interest rates but there was also a substantial amount of hard currency in the economy from foreign investors and a sharp reduction would lead to "a very swift capital flight".

Lending rates for commercial banks are about 25%-35%. Mortgage rates stand at 30%-40% Benchmark rates on 91-day government treasury bills have settled at 21% this year.

Saitoti blamed a freeze on donor development funds between 1991 and 1993 for infrastructure problems

Saitoti said the single digit inflation of 1995 and last year would be maintained this year assuming the agricultural sector recovered.

He blamed relief food purchases for this year's 7,12-billion-shilling deficit — Reuter

Human rights watchdog tackles Kenyan government over abuses

Nairobi – Amnesty International has again come down hard on the Kenyan government for its violation of human rights.

In a report expected to be released in Nairobi on Monday, the London-based watchdog body says "Kenya's human rights record is stained by repression and lack of accountability".

While Kenya's official reaction is unlikely to be made known until after the report is formally released, reliable sources in the government call the "manifesto" an unwarranted interference in Kenya's internal affairs.

"The strictures cannot be taken seriously because Amnesty has obviously been influenced by the opposition parties and self-exiled dissenters," according to a high-level source.

Amnesty's "Manifesto for Kenya" calls for the scrapping of laws which restrict "fundamental rights and freedoms because they breach basic standards agreed by the entire international community ... Every Kenyan has the right to live in a society where basic rights are respected in law and practice".

It says Kenya is only "in theory a democratic state. In practice, many critics of the government have been harassed and intimidated. Political prisoners have been subjected to sustained torture, and police routinely beat suspects".

Amnesty wants arbitrary detention to be prohibited and cruel, inhuman and degrading punishments such as floggings and executions should be outlawed. – Independent Foreign Service

(163) Star 31/5/97

mass on Sudan border before ...

Amnesty International slates Kenya for human rights abuse

ARG 31/5/97 (163)

CHANDER MEHRA
Independent Foreign Service

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Amnesty wants arbitrary detention to be prohibited and "the president (Mr Daniel Arap Moi) should no longer be able to declare a state of emergency" Cruel, inhuman and degrading punishments such as floggings and executions "should be outlawed"

Among its proposals are press freedom and guarantees that journalists be "protected from interference or arbitrary arrest", an end to the deregistration and banning of different forms of media; abolition of the death penalty, and improvement of prison conditions

"We want human rights to be at the top of the agenda for all the political parties in the build-up to this year's election We are trying to arrange meetings with all the main political parties and we hope also with President Moi, Foreign Minister Kalonzo Musyoka and Attorney-General Amos Wako," Amnesty said.

AFRICA

Moi rejects changes to constitution

(163) BD 2/6/97

NAIROBI — Kenya's President Daniel arap Moi, defying demands by opposition leaders, told a state rally yesterday there would be no change to the constitution before elections this year

"The current atmosphere is not conducive to meaningful discussion on subjects such as the constitution Such discussion can be held meaningfully only after the general elections," Moi told a crowd of about 10 000 people

"A commission will be appointed then that will take into account all interested parties"

Rioting brought Nairobi to a standstill on Saturday after security forces broke up a banned rally by opposition and church groups pressing for a minimum package of constitutional change before the presidential and parliamentary elections

One person died in the rioting, according to newspaper reports, and scores of shops and stalls were looted

But there was no sign of protest during the rally, which was guarded by hundreds of heavily armed paramilitary general service unit troops, police and plain clothes agents

Four opposition parliamentarians and at least two activists were placed under house arrest before the event, apparently part of precautions against a repetition of the Saturday protests, opposition spokesmen said.

Those detained included National Development Party (NDP) leader Raila Odinga, Ford-Asili chairman Kenneth Matiba, Ford-Kenya chairman Michael Kijana Wamalwa and Paul Muite of Ford-Kenya who is also active in the unregistered Safina party. Wamalwa said by telephone from his house: "I am very frustrated I wanted to go out there and see what would happen next" He said more than 100 troops had surrounded the building

During the night an explosion started a fire in a building on Matiba's property, said an aide.

Moi, addressing the annual Madaraka (Self Rule) Day rally, said the Public Order Act used to regulate public meetings would be replaced by a new bill, but gave no details

"A new legislation entitled the Peaceful Assemblies Bill will soon be presented for debate in parliament This will replace the Public Order Act," he said

NDP secretary-general Charles Maranga poured scorn on Moi's speech and said the party would still press for change "Moi is trying to hoodwink Kenyans This is not enough. We are going to press for minimum constitutional reforms before the elections"

Moi must call elections by the end of the year, pitting the ruling Kenya African National Union against an opposition undermined by ethnic, political and personal disputes — Reuter.

Report slams Kenyan judicial system

(163)

Susan Russell

PUBLIC comments on pending legal proceedings by Kenyan President Daniel Arap Moi as well as the wide powers he had to appoint judges were factors which undermined the independence of the judiciary in that country, according to an International Bar Association report released yesterday

The report follows an investigation into the Kenyan legal system and independence of its judiciary by a mission consisting of English lawyer Sir William Goodhart QC and SA attorney and Judicial Service Commission member Phineas Mojapelo at the request of the Kenyan Law Society

Released simultaneously in London and Pretoria yesterday, the report detailed evidence of interference in judicial independence by the Kenyan government in a variety of ways, corruption of judicial officers, particularly at the level of magistrates, as well as deficiencies in the method of judicial appointments which gave the president too much power in this regard, further undermining judicial independence

At a press briefing in Pretoria yesterday, Mojapelo said the fact that these abuses occurred in Kenya, which had a bill of rights, should serve as a warning to our own legal system that a bill of rights was worthless without a fearless and independent legal system to protect it

Kenyan high commissioner Justice Mudavadi, who was present when the document was released to the media, said he had not yet received the report

However, he believed it should be discussed by the people it affected before being submitted further to bodies such as the United Nations or the Organisation of African Unity

Mudavadi said while there could be no justification for denying civil liberties to anybody it was a reality that this was happening in a number of countries in Africa and beyond

First secretary to the Kenyan high commission Daniel Kokai expressed concern that the report had been compiled by Goodhart and Mojapelo after they had spent only a week in Kenya

The report recommended making the appointment process more consultative and broad-based

BD 4/6/97

Kenya faces power brawl with Uganda

(163)

CHANDER MEHRA

CT (OK) 4/6/97

Nairobi — Kenya and Uganda may be heading for a diplomatic storm unless Nairobi pays $4 million it owes to Kampala for power supplies under a tariff agreed to by the two governments last October

Gerald Sendaula, the energy and natural resources minister of Uganda, said Uganda was considering legal action against Kenya for failing to honour last year's agreement on revised power tariffs

On October 4 last year, Yoweri Museveni, the president of Uganda, warned that power supplies to Kenya might be stopped by the Uganda Electricity Board if Nairobi did not agree to realistic rates in accordance with market prices

Responding to Museveni's warning, Daniel Arap Moi, the president of Kenya, agreed to the asked-for rates, and a memorandum of understanding was signed between Nairobi and Kampala The tariffs were revised from 2c a unit, as set in a 1958 agreement, to 65c for 1996, 75c for 1997, 85c for 1998 and 96c for 1999

However, according to Sendaula, Kenya had defaulted on payments

Kenya has been facing severe domestic power-supply problems because of low capacity utilisation of its own power plants and has resorted to load-shedding, which has been affecting the country's industrial, commercial and domestic consumers

Attempts to reach senior officials of Kenya Power and Lighting were fruitless

However, other sources said Uganda's power bills were in the process of being settled

"The matter will not be allowed to go to court since payment is likely to be made (this month) after ascertaining how much the actual amount is," said one source. — Independent Foreign Service

Kenya strongly denies human rights abuses

BD 13/6/97 (163)

NAIROBI — Kenya yesterday strongly denied accusations of widespread human rights abuses raised by Amnesty International, and accused the London-based group of seeking to incite Kenyans against the government

A government statement said Kenya under President Daniel arap Moi had done a lot to rein in police officers "who have gone overboard in the execution of their duties".

Amnesty secretary-general Pierre Sane said on Wednesday at the end of a fact-finding tour of the East African nation that police brutality and torture were widespread and a number of people had died in police hands

Sane, a Senegalese national, also told a news conference that forthcoming general elections would not be free and fair unless constitutional reforms were carried out

"The situation is bad and it can become worse if these measures are not taken in the run-up to the elections," he said, urging restraint and dialogue between parties.

The Kenyan government, repeatedly accused of human rights abuses by western donors and opposition politicians, said the following in its statement: "The government would like to reiterate that it will not tolerate prescriptions from Amnesty International on how to deal with alleged violations of human rights

"The government of Kenya has a machinery and a system of handling these matters The government is treating the contents of the press release as allegations by Amnesty calculated to incite Kenyans against their government."

Sane described Kenya's political climate as one polluted by laws, such as the Public Order Act, which restrict freedom of association and threaten elections due this year.

Kenya is set for presidential and parliamentary elections later this year, but the opposition complains the country's constitution is tailored to the advantage of Moi's ruling party and has called for amendments to reflect a pluralist environment

Moi has ruled out constitutional reforms before the elections, and has also vowed to take tough action against opposition politicians agitating for change — Reuter

Irish priests spread the rights word in Kenya

(163) Star 19/6/97

Lodwar, Kenya – The Irish priest looked over the crowd of people – some draped in traditional red-checked cloth, others in rags and barefooted – who gathered in the church for a seminar on human rights

One after another they rose to ask questions which proved that Father Gabriel Dolan had much work to do.

What do I do when police beat me up?

How do I fight a ruling party official who evicted me from the government house?

What does "human rights" mean?

The Irish Kiltegan missionaries, led by Bishop John Mahon, are alone in teaching people about their civil rights in Lodwar, a town in the Turkana district some 500km north of Nairobi

"As a church, justice is a must for us," Dolan said "If we don't work for change, people's participation, democratic government, human rights, – our charity work will go on forever

"The system here is oppressive People here have never known liberation," he said "We are the only alternative."

The church's efforts have been made all the more difficult by pro-government thugs trying to quash opposition and stifle the Catholic peace and justice seminars ahead of this year's national elections.

Dolan had to move his seminars to the church because 50 drunken herdsmen armed with sticks and stones threatened to burn down the local education centre unless he left.

The men were backed by President Daniel arap Moi's ruling Kenya African National Union party (Kanu). Moi has repeatedly condemned "interference" by the church in secular life

Roman Catholic, Protestant and Muslim leaders have joined the political opposition in demanding reforms as well as access to state-run radio and TV for all political parties, an independent electoral commission and the repeal of laws restricting public gatherings

Police on May 31 used teargas and batons to break up a peaceful rally in Nairobi attended by people favouring constitutional reform.

Dolan said the church wasn't telling people who to vote for, just how to question authority.

Last week he called on Amnesty International and Kenyan human rights activists to help publicise the situation – Sapa-AP

Kenyans wary of violence at rallies pushing for reforms

Nairobi – Many Kenyans are likely to stay indoors today, amid fears of violence during opposition rallies called to pressure the government into making constitutional reforms

"I will stay at home. I do not want to be beaten by the police or stoned by mobs," office clerk James Onyango said yesterday.

Some 600 taxi owners, fearing their vehicles will be damaged if violence breaks out, have said their minibuses will not ply city roads during the *saba saba* rally (Swahili for the seventh day of the seventh month).

The Federation of Kenyan Employers (FKE) has urged workers to ignore calls to attend the rallies, planned for 48 centres countrywide.

"Riots and destruction of property will only be denying Kenyan workers their fundamental freedom of earning a living," said FKE director Tom Owuor

In Mombasa, pro-reform activists have been urging residents to take part in a general strike today Police have said they will "enforce the law", which means that anyone seen near the venue for a rally will be severely beaten or arrested

"No amount of intimidation will stop us from demanding reforms," said opposition MP Paul Muite. Yesterday, the Roman Catholic archbishop of Nairobi, Ndingi Mwana a Nzeki, an ardent supporter of constitutional reform, urged organisers to call off rallies because they were likely to spark violence – Sapa-AFP

(163) Star 7/7/97

Pledge to step up protests despite violent clashes

Kenyan opposition calls for new demonstrations in effort to pressure govt to introduce constitutional reforms

(163) Star 8/7/97

BRENNAN LINSLEY / AP

Bearing up . . badly injured Kenyan Presbyterian priest and political activist Timothy Njoya is helped to a car after being severely beaten by riot police when he left his church with an assistant during a day of opposition protests in Nairobi. The priest was taken to hospital and is being treated in intensive care

Reuters
Nairobi

Kenyan opposition groups vowed to resume protests demanding constitutional reforms despite the deaths of several people in clashes with police yesterday, the country's worst day of political violence for seven years

The National Convention Executive Committee (NCEC), made up of opposition parties, human rights groups and other bodies, ordered new demonstrations to put pressure on the government late yesterday

The NCEC called for three days of national mourning from tomorrow to Friday "for the gallant sons and daughters who were killed by the government during the Saba Saba commemoration"

Rallies in Nairobi and several towns and cities across the country were called yesterday to commemorate the killings of 20 people, known as Saba Saba in Kiswahili, on July 7 1990 at a Nairobi rally

The NCEC said Kenyans would "demonstrate their displeasure" with the government tomorrow, which is hosting a summit on Sudan's civil war under the six-nation Inter-Governmental Authority on Development (Igad) in Nairobi during the mourning period

"Our position and demand of the Igad meeting is no reforms, then there will be no Igad meeting," the NCEC said

Police said they would block any demonstrators who failed to apply for a permit

"The campaign for civil disobedience must continue if no tangible action is taken towards reforms Towns will be closed down many times in the future," said Koigi wa Wamwere, a leading dissident

Joseph Kamotho, secretary-general of President Daniel arap Moi's ruling Kenya African National Union party, condemned yesterday's violence as part of a plot to hijack democracy, block the impending general election and seize power by force.

He condemned the violence and "defiance of authority" and said the reform programme would start with the elections, followed by steps to review the constitution The opposition says reforms must be made before the election to serve any purpose

The NCEC says the law requiring a permit for demonstrations is itself unconstitutional and therefore is null and void

Moi (73) is almost certain to win another five-year term from this year's presidential and parliamentary elections, for which no dates have been set, because the opposition is split.

Police and paramilitary officers stormed Nairobi's main Anglican cathedral, All Saints, fired teargas inside and beat people there David Gitari, the archbishop of Kenya, condemned the police invasion and demanded that the cathedral be respected as a sanctuary

The Rev Timothy Njoya, moderator of the Presbyterian Church of East Africa and an organiser of the demonstrations, was severely beaten near the cathedral by six police wielding wooden pick axe handles His assistant was also badly hurt

Police seemed to single out rally organisers for especially harsh beatings but they also rained blows from batons and clubs on everyone they caught, including people who were not protesting

Red Cross workers found a boy in Nairobi's Uhuru park who died en route to hospital Police said they would investigate all yesterday's deaths

Witnesses say David Mutugi (17) was shot and killed by police in Thika 30km north-east of Nairobi, when police and prison guards charged a crowd - Reuters

Police 'animals' batter Kenyan students, dons

Star 10/7/97 (163)

Nairobi – Choking with teargas, the student almost made it through a gauntlet of whips, clubs and kicks before being pole-axed by a policeman who was laughing.

As the cry of "Ua!" (kill) left the officer's lips, the art student crashed on to his side and immediately went into a seizure.

His head nodded inanely into the tarmac, foam poured from his mouth as the police turned their attention to thrashing other students being teargassed out of their halls of residence

Ordered by President Daniel arap Moi to prevent a threatened march on State House, where he was holding a summit with the presidents of Sudan and Eritrea and the Ethiopian prime minister, the police clearly relished their work

With battle cries, they swarmed through Nairobi University campus yesterday, beating students and dons indiscriminately Teargas from the assault drifted on to the terrace of the Norfolk Hotel, where tourists waited for buses to Kenya's game parks, as police broke up a non-violent demonstration calling for the right to free assembly in Kenya and a day of mourning for students killed by police earlier.

This week's toll had climbed to 16 with the deaths on Tuesday of four students from beatings by police during Monday's demonstrations An official at the Aga Khan Hospital in Nairobi described the chances of the student who had a seizure surviving as "so, so".

When bystanders appealed to the police to help them to carry him to a clinic near by, officers sniggered "Help what?" they asked in Swahili as they jogged along a blood-spattered road after more victims

When he was carried into a university clinic, a doctor took one look at him and condemned Moi's police as "animals".

■ The Anglican Archbishop of Cape Town, the Most Rev Njongonkulu Ndungane, said in a statement that he was "particularly incensed at the way police officers beat demonstrators during a service in Nairobi's All Saints Anglican Cathedral.

Ndungane welcomed the news that authorities had apologised for the attack, but noted that police had earlier given "an assurance .. the church's activities would be respected "

South African Deputy President Thabo Mbeki meanwhile told journalists in Pretoria that his Government would discuss the pro-reform protests with Kenya's government He would not be drawn on South Africa's position – Times, London, Sapa-AFP

CAPE TIMES
THURSDAY, JULY 10, 1997 ★

15 DIE IN PRO-DEMOCRACY CLASHES

Kenyan riot police close university campuses

(163)

CT 10/7/97

NAIROBI: In a bid to crush demands for democratic reforms yesterday, police stormed classrooms, broke down dormitory doors, dragged students off campuses and beat them with clubs

POLICE and demonstrators are clashing in Kenya, with 15 deaths reported since Monday, but opposition politicians remain divided in their efforts to oust President Daniel arap Moi, who has been in power for 18 years and rules with an iron fist

Students hurled rocks and set shops ablaze yesterday as riot police armed with automatic rifles and clubs closed down university campuses to crush demands for democratic reforms.

The clashes occurred at the University of Nairobi's main campus in the city centre and at the campus at Kabete, 10km north-west

Heavily armed police stormed classrooms, interrupting final exams, and broke down doors on student dormitories. Police dragged some students off the campuses, beating them with clubs and injuring scores

Some students retaliated by throwing stones at police and setting shops at the Kabete campus on fire There were no reports of violence at the Kikuyu campus, 15km north-west of the capital

Other students, carrying books and suitcases stuffed with their belongings, hurriedly funnelled out of dormitories and classrooms between flanking lines of riot police armed with AK-47s and clubs

Vice Chancellor Francis Gichaga said the University of Nairobi's three campuses were closed to counter rising tensions among its 15 000 students, who have pressed for political reforms in Kenya

The constitution gives Moi virtually total power, and no one argues when he arrogates more

Parliament, despite noisy interjections by the opposition, is seen as a rubber stamp, with ruling MPs dependent on Moi's patronage

Opposition MPs and parliamentary candidates frequently defect to the ruling Kenya African National Union, which officially denies that the standard reward begins with a large plot of land, a new four-wheel-drive vehicle, and five million Kenyan shillings (about R455 000) or more

Presidential and parliamentary elections are due by the end of this year, but opposition efforts to field a single presidential candidate have foundered on personal ambition

In the 1992 presidential election, held under the simple majority rule, Moi won with just over 30% of the vote, while a combined opposition vote of nearly 70% was split among seven presidential candidates.

That scenario could well be repeated this year, observers say

The latest to throw her hat into the ring is Ms Charity Ngilu, a member of parliament who announced her candidacy on Tuesday

But she "divorced" the Democratic Party, which looked as if it was not going to endorse her as its presidential candidate, to join the Social Democratic Party, which did

Ngilu also clashed with opposition politicians demanding constitutional reforms before the elections She announced she would ask parliament to amend the constitution after she was elected president —Sapa-AFP

Nairobi quiet after 3 days of violent clashes

(163)

ARG 10/7/97

Nairobi – Kenya's capital returned to business as usual and riot police moved off the streets today with two universities closed after clashes between police and students.

Three straight days of unrest broken up by riot police had prompted a total of 20 countries to press President Daniel arap Moi's government to open a dialogue with opposition-backed groups demanding constitutional reforms before elections.

There was no sign, however, that the 73-year-old president, in power for 19 years and tipped to win re-election this year, would heed the donors' appeals for him to buckle under after the most violent clashes between police and protesters since 1991.

Authorities yesterday ordered the indefinite closure of Nairobi University, which has 19 000 students, as well as Jomo Kenyatta University of Agriculture and Technology

Nairobi students were at the forefront of unrest since last week when they stoned motorists and looted shops in protest against a new education bill providing for expulsion of those who fail to pay fees. – Reuter

REUTER

Ring of steel: university students argue with Kenyan police who surrounded and closed the university in Nairobi after the third day of rioting between students and police in the Kenyan capital Students are pressing for political reforms before elections later this year when President Daniel Arap Moi is expected to win another five-year term

Students, police clash in Nairobi

BD 10/7/97 (163)

NAIROBI — Students and police clashed again in Nairobi yesterday after more of those injured earlier died, bringing the death toll from battles between police and demonstrators on Monday to at least 15

The students streamed into the city on their way to the out-of-town bus stop, carrying their suitcases on their heads, after authorities closed Nairobi University

The capital remained tense, with riot police patrolling the city streets and many shops shuttered as political activists vowed to continue protests to demand constitutional reforms before elections due by the end of this year

The opposition began three days of mourning for the dead, many of them shot by police in what the Law Society of Kenya termed "cold-blooded murder".

The government of President Daniel arap Moi, who has been in power for 18 years, meanwhile showed no signs of relaxing its iron grip on the country

The demonstrators vowed to protest outside a summit of regional leaders who are discussing Sudan and Somalia, to force them to consider the unrest in Kenya as well, radio reported

The summit of the Intergovernmental Authority on Development, attended by leaders of Kenya, Sudan, Ethiopia, Eritrea, Djibouti and Uganda, was being held at State House

The umbrella National Convention Executive Council, which includes church groups, nongovernmental organisations, youth groups as well as opposition politicians, is now calling for Moi to resign

Police spokesman Peter Kimanthi apologised on Tuesday for a police attack on the Anglican cathedral on Monday

The US and Britain both criticised the action of the police in charging what began as peaceful rallies — Sapa-AFP

Once were warriors Kenyan troops charge at pro-reform demonstrators in Nairobi this week PHOTOGRAPH SACHA J

Arap Moi regime stumbles

MtG 11-17/7/97 (163)

Whether or not he allows political reform in Kenya, Daniel arap Moi's days as ruler are numbered, reports **Ken Opala** from Nairobi

PRESIDENT Daniel arap Moi s 20-year unbroken hold on power in Kenya is under siege, and probably in its terminal phase following waves of public protests to reform the Constitution The key demand is that elections, due to be held before January, should be free and fair

At least 13 people — including children and students — were killed on Monday when police acted against defiant pro-reform crowds in several towns On Wednesday armed police stormed lecture rooms and residences at the University of Nairobi The university was shut.

On the same day, in a possible sign that Arap Moi s tough tactics might be succeeding, the public did not respond to an opposition call to attend a rally at Nairobi s Central Park.

Given the stand-off analysts argue the 73 year-old Arap Moi's reign may be a thing of the past, whether the reforms are undertaken or not.

"It is now abundantly clear that the bankrupt Kanu [Kenya African National Union, Arap Moi s ruling party] regime intends to maintain itself in power through violence and acts of terror " said the mainstream opposition in a statement in midweek "This is the direction from which nobody can emerge a winner "

Analysts say Arap Moi has placed himself in a Catch-22 situation If he agrees to reforms his days as head of state would be numbered Reforms would ensure free and fair elections, but observers says Arap Moi has never directed any democratic polls since he took over in August 1978 after the death of Mzee Jomo Kenyatta, Kenya s first post-independence president.

The other option, argue analysts, is that he rejects the calls with the result that he is forced out through popular revolution Arap Moi has hinted at such a possible scenario in previous remarks

"We wonder whether Kanu intends to rule over graveyards and ruins in this country " said the opposition statement

Opposition parties, churches and non-governmental bodies involved in governance have now joined ranks to press for reforms before elections "The church will not sit back and watch the country conflagrate into violence and chaos We support dialogue now, not tomorrow If there is genuine political decency left " said Bishop John Njue chairman of the Kenya Episcopal Conference

The church blamed the government for "progressive genocide" against its own people "How many Kenyans must die that we may have the desperately needed reforms? What other signs must we look for in order to act to avert an imminent crisis?" Njue asked Arap Moi

Although the popular drive is in the form of a crusade for law reform, analysts argue it is meant to break Arap Moi s autocratic rule which is widely blamed for the deterioration of the country s economy and widespread human-rights violation over the last two decades

Arap Moi who has ruled through strong-arm tactics, including extra-judicial detention of critics, suppression of the press and the use of security agents to silence dissent even within his own party, argues that the Constitution can only be reviewed after the elections, and not before But the reform crusaders — mainly university lecturers lawyers and church leaders — argue the president s stand is intended to enable his regime to rig the elections in his favour

The opposition fears that the electoral commission appointed by the president will serve Kanu s interests It is widely accused of massive rigging in the 1992 elections The reformists are also asking for the Constitution to provide for a coalition government.

If Arap Moi does manage to weather the current storm it will be the second time he will have beaten down a popular uprising In 1991 it was only through international pressure for democratic and economic reforms in the form of an aid-freeze that compelled him to give in to demands for multi-partyism

Yet the change from a single party to pluralism was hurried and was never reflected in any constitutional amendments This meant that "a multi-party Kenya kept operating under single-party rules" says a Nairobi-based foreign diplomat

Western pressure might now again prove a factor "The real source of political violence in Kenya is not just the government s unacceptable strong-arm tactics, but its failure to take the essential concrete steps to create a free and fair electoral climate," the United States State Department said this week.

No country has threatened to cut off Kenya s vital low-interest loans because of the violence But on Monday the International Monetary Fund gave notice of its impatience with government corruption It warned that it might suspend a $280-million low-interest loan unless a five-year-old financial scandal is settled.

Arap Moi is surrounded by a clique, drawn mainly from his Kalenjin tribe which is accused of bleeding an economy already ailing from years of mismanagement and neglect. For obvious reasons this group is uncomfortable about the prospect of constitutional reform

During Monday s violence police entered a Protestant church and bloodied several people (including clerics) stormed the University of Nairobi exam hall and shot a female student, and broke into houses to flush out people seeking refuge from the mayhem Business stalled in major towns

Yet the president acted as if all was well and chaired a summit of the Inter-Governmental Authority on Development (IGAD) at State House in Nairobi Later a joint opposition statement urged his resignation as IGAD chairman arguing he had no moral authority to head the body as his own nation needed to be listed on the IGAD agenda as a conflict zone

The summit sought to resolve the Sudanese conflict, and draw together feuding factions and the government of President Omar al Bashir

Protesters flee from the onslaught which left several people dead and scores injured on Monday

Kenyan opposition demands reform, threatens revolution

(163)

AUG 12/7/97

Nairobi – Kenyan opposition MPs have warned a defiant President Daniel arap Moi that the country could slide into violence unless he enacts constitutional reforms before elections due this year.

The latest stand by the opposition came a day after Mr Moi, 73 and in power for the last 19 years, lambasted Western nations for urging dialogue with the opposition to end a recent bout of unrest.

James Orengo, deputy leader of the opposition, warned Mr Moi of a rebellion similar to that which ended Mobutu Sese Seko's rule in Zaire. "Those who make peaceful change impossible make violent change inevitable. The consequences for rigidity on the part of the government will open up new options And those who do not want to go the way the people go may become irrelevant," he said.

At a news conference in Nairobi, eleven opposition MPs also urged Kenya's business community to join in the campaign for reforms which escalated this week into the country's worst political unrest since pluralist politics returned in 1991.

The business community urged Mr Moi to fix an early date for elections

"An early election would help, we would resolve the issues and Kenya would be out of the current situation," said Manu Chandaria, chairman of the Kenya Association of Manufacturers.

Mr Orengo said recent disturbances demonstrated the depth of popular resentment to the Moi government. "We are saying no reforms, no elections. We are committed to an extent that we will ensure there are no elections Kenyans have the capacity to make this country ungovernable. We are in the beginning of a revolution," Mr Orongo said.

Nine people died in the unrest on Monday when the opposition called for rallies to press the government into reforms Further violence erupted on Wednesday when students clashed with police and troops.

The opposition, backed by churches, students and human rights groups, wants Mr Moi to allow free access to the media, overhaul the state-appointed Electoral Commission and repeal a colonial act which regulates political assemblies.

Mr Moi accused Western donors of interference when they called for dialogue to defuse the mounting tension

The unrest prompted 20 countries to press Mr Moi to hold talks with the opposition. – Reuter

(163) ST(BT)13/7/97

Kenya's credibility goes up in smoke

ROCKED by clashes between security forces and demonstrators calling for constitutional reform this week, Kenya faces serious economic disruption

The country's central bank governor and the World Bank's country director warned that more unrest would seriously undermine the economy

"Investor confidence is being eroded every day No one wants to work in such conditions," said Micah Cheserem, governor of the Central Bank of Kenya shortly before two university campuses in Nairobi descended into chaos again

"You cannot keep closing down a country If things escalate there will be capital flight, the shilling will depreciate and that will cause inflation We cannot afford a repeat of this," Cheserem added

The World Bank said government predictions of 4% growth in 1997, already regarded as over-optimistic, would be impossible to fulfil if disturbances continued "The economic cost of this nonsense is very high" said Harold Wackman of the bank. "All kinds of people will have been cancelling their holidays It deters tourists, it deters investors If this continues, I wouldn't expect much growth at all this year"

Foreign donors and even members of the ruling Kanu party have been pressing President Daniel Arap Moi to accede to at least some demands from opposition groups religious leaders and non-governmental organisations pressing for the repeal of laws seen as weighting coming polls in his favour

But so far Moi has resorted to strong-arm tactics, triggering some of the worst political violence since the drive for a multi party system was launched in Kenya in 1991

Despite the potentially embarrassing presence of African leaders attending a regional summit riot police stormed the main university campus in central Nairobi clubbing scores of students wrecking halls of residence and firing off teargas

There were also violent clashes in the north-west Kabete campus with students setting fire to cars and buses after the authorities ordered the entire five-site University of Nairobi closed

The violence comes at a time when Kenya's economy is already looking vulnerable. Last year's drought devastated the key agricultural sector and more and more Kenyans are falling below the poverty line as real inflation soars to double digits

In addition, the IMF has threatened to suspend its loan programme unless the government takes steps to tackle a long-running financial scandal

This means Kenya will be deprived of both $37-million from the IMF and nearly $72-million in structural adjustment and other credits from the World Bank.

"The $37-million is not loose change for us, but it does not leave a big hole," said Cheserem "What does leave a big hole is the loss of credibility Kenya suffers by not having a structural adjustment facility"

Financial analysts say Kenya's tarnished image is the reason the government is waiting until after the elections later this year before trying to reduce domestic debt by floating a Eurobond on the world market

They also predict that up to half the $300-million to $500-million in "hot money" attracted to Kenya in the last year by high T-bill rates will move abroad over the next couple of months as bills mature. "May 31 jolted people's complacency," said one financier "Kenya suddenly looked less attractive There has already been capital flight"

Jitters are also running through the tourism industry, a big foreign exchange earner only just recovering from a three-year slump caused in part by negative media reports about security problems in Kenya.

"We had only just got the trend turned around" said Major Aussie Walker of the Kenya Association of Tour Operators But a leading Nairobi business analyst was blunter "You can most definitely kiss a strong tourism year goodbye." — *Financial Times*

Picture: AF

ON THE RUN ... Kenyan police force students out of their dormitories before closing down the Nairobi University campus

I'm no dictator, says Moi after Nairobi riots

(163) ST 13/7/97

UNDER mounting domestic and international pressure, Kenya's President Daniel arap Moi was reported yesterday to have agreed to convene talks on the constitutional crisis that sparked violent clashes in Nairobi this week

At least 10 people are reported dead after police beat and shot protesters demanding reforms before this year's elections

Saying he was not a dictator, Moi has now promised talks, according to the Sunday Nation newspaper Moi said he will convene the ruling party Kanu's governing council and national delegates' conference, the paper said in a report released in advance of publication

Those two top decision-making bodies last met six years ago, when they altered the single-party constitution to allow multi-party politics ahead of the 1992 elections

While opposition figures welcomed Moi's move, they caution that it may not be enough They say reform talks must be structured, lest Moi drag out the process

The US embassy in Nairobi released a statement saying the real source of political violence in Kenya is the government's unacceptable "strong-arm tactics" and its failure to create a free and fair electoral climate

The Anglican Archbishop of Cape Town, the Rev Njongonkulu Ndungane, said in a statement faxed to Kenya that the attacks by police on pro-reform supporters on Monday at Nairobi's All Saints Cathedral reminded South Africans of "the oppression of the worst days of apartheid"

Police let off tear gas in the cathedral before storming the church and beating people at a service They left behind broken pews and pools of blood on the floor

Today the cathedral will hold an official cleansing ceremony

LOUISE TUNBRIDGE reports that Richard Leakey, the conservationist who is interim secretary general of the unregistered Safina opposition party, called on Moi to "act or resign"

Leakey said it was scandalous that the commissioner of police and the minister in charge of internal security should remain in their posts after paramilitary police closed Nairobi University

Trouble started on Tuesday night when rumours spread that four students had died in hospital as a result of police brutality

The death toll from the rallies held in several towns had already been reported at around 10

Police spokesman Peter Kimanthi denied the rumours, saying one student had been run over by a truck and killed on campus

The battles between police and students took place well within earshot of State House, where Moi is hosting the Inter-governmental Authority on Development heads of state summit on the conflicts in Sudan and Somalia

The presidents of Sudan, Ethiopia, Eritrea and Djibouti were at the meeting

This week, opposition MP Charity Ngilu launched her campaign for the presidency, the first woman ever to run for the office

She is presenting herself as a candidate to build a "bridge between the present undemocratic and oppressive system that Kenyans have rejected and the future democratic one that Kenyans yearn for"

Moi loses the middle class in decaying Kenya

(163) BD 14/7/97

KAMAU Njoroge wears shirts with button-down collars, owns a smart four-wheel drive and speaks impeccable English. A member of Kenya's biggest tribe — the Kikuyu — he returned to Nairobi after being educated in Britain, full of plans to set up in one of the country's growth sectors.

But his company is not prospering. Instead he sees government contracts going to members of President Daniel arap Moi's minority Kalenjin tribe and well-connected Asians.

"In the old days I used to think it was a nuisance when the students went on the rampage. Nowadays I feel ashamed not to be with them," he says. "The middle classes no longer trust or believe Mr Moi."

As Moi digests the implications of last week's political violence, he cannot ignore people like Njoroge.

Conspicuous among the students, opposition activists and jobless youths being clubbed on the streets were middle-aged men in suits and ties, their white shirts splattered with blood. Kenya's middle classes are becoming radicalised, a development that has sent shudders through many an African regime.

The protests are nominally aimed at winning the repeal of laws that critics claim will give Moi an unfair advantage in polls expected later this year. What lies behind the debate is more diffuse and, for the president, far more worrying.

Despite being blessed with what was at independence one of Africa's most modern infrastructures, aid flows totalling billions of dollars and one of the continent's most liberalised economies, the ordinary Kenyan is hurting.

Incomes per head have stagnated since the mid-1980s and now stand at $280 a year. More and more families are sinking below the poverty line. The number of children begging on the streets of Nairobi grows each week. Once one of the continent's smartest capitals, it is a crime-ridden eyesore of potholed roads, rotting rubbish and squalid shanty-towns.

All do not suffer equally. A small elite has wrung maximum commercial advantage from its proximity to power, resulting in a chasm between rich and poor wider than in any country except Brazil. The top 10% enjoys 47% of national income.

"The middle classes just want to be left in peace to make money," says John Githongo, columnist for the East African newspaper. "But they look to the future and expect to get poorer. They see no avenues for self-advancement. Moi has killed hope."

With such anger and frustration as a backdrop, Moi's refusal to compromise is fast transforming the constitutional campaign from a list of precise legal demands into a spreading conviction that he himself must go.

Despite talk of "the Kabila effect", a Zaire-style overthrow looks out of the question. A loyal army and Western support are not the only reasons. In the run-up to elections, the opposition has gone into self-destruct mode, fracturing on ever more ethnic lines.

Had it agreed on a single candidate, the opposition could probably have won the polls despite a constitution weighted in Moi's favour.

He may face as many as six separate candidates, all with narrowly ethnic constituencies, none with a national vision. Unless the opposition pulls off a miracle, its defeat seems certain.

But given the level of public discontent, the absence of a charismatic leader to polarise and channel protest carries its own dangers.

Analysts warn that Kenya could fall prey to bouts of random violence, with Kalenjin people and Asians as favourite victims. Britons could also become targets.

Significantly, recent demonstrations have been characterised by a swift descent into looting and thuggishness not seen during previous pro-reform protests.

Kenya's long-standing image as a peaceful democracy has been so beguiling that its descent into the African cliché of riot-prone, crime-ridden hotspot would deal a big blow to confidence in the continent as a whole. Diplomats have started holding regular meetings with the presidency to press for compromise.

"It is already too late for far-reaching constitutional reforms," says a diplomat. "But if Moi could just send out signals he is seriously willing to engage in real reform after the elections, maybe we could cool the temperature."

The suggestion elicits a laugh from Njoroge. "You know our president as well as I do. Does compromise seem likely?" — Financial Times

Students seize Kenyan highway in brief protest

ARGT 15/7/97 (163)

Nairobi – Students demanding constitutional reforms and the departure from office of President Daniel arap Moi briefly seized control of a main highway in Kenya's capital Nairobi yesterday, witnesses said.

But by 11am traffic was normal again on Haile Selassie Avenue, where hundreds of students from Kenya Polytechnic had erected barricades, chanting "Moi must go We want reforms"

"The students came out again this morning, but now they have gone back It was not serious," said a taxi driver

In Mombasa, Muslim preacher Sheikh Balala, a fierce critic of Mr Moi, said he would tour the city and visit schools today after returning from two years in exile, witnesses said

Mr Balala returned to Kenya on Saturday from exile in Germany, vowing to spearhead a reform campaign

"I don't recognise the forthcoming elections and I would rather voters burned their registration cards," he told a crowd of around 1 000

But his aides said a planned "illegal" rally in Mombasa today had been called off

Nine people were killed last week in the most serious civil disturbances since a 1990 campaign to press for constitutional reforms that led to the introduction of a multiparty system

Opposition-backed groups have campaigned since April for reforms before presidential and parliamentary elections due this year No date has been set for the polls

Authorities shut Kenya Polytechnic late yesterday after clashes between 3 000 students and police on Haile Selassie Avenue The students defied the closure order and turned up for classes today

Political analysts say reforms would reduce the power of Mr Moi, 73 and in office since 1978 But he is widely expected to win elections against an opposition that has built a fragile cohesion based on demands for reform

The polytechnic students said they were in solidarity with their university colleagues and were backing growing calls for constitutional reforms

The government shut the country's two main universities last week after students, heeding opposition demands for reforms, battled police and paramilitary forces

The students were protesting against a new bill providing for expulsion for non-payment of fees and revised charges for exams They also demanded constitutional reform – Reuter

REUTER

Defiant: thousands of students shout and flash victory signs as they confront riot police in the heart of Nairobi

Businessmen in Kenya beg for dialogue

(163)

CT (Prk) 15/7/97

MANOAH ESIPISU

Nairobi — Kenyan business leaders are urging dialogue between opposition groups and the government to end a stalemate over constitutional reforms and help restore confidence in an emerging economy

"Confidence is a very fragile thing Any kind of instability hurts investor confidence Dialogue is the key word," said Micah Cheserem, the governor of the Central Bank of Kenya

"The main test for Kenya is that the nation holds together — to give confidence that this is a good place to invest," said Chris Kirubi, a leading businessman with interests ranging from real estate to cosmetics manufacturing and express mail delivery

Kirubi said the main test for Kenya was that the nation held together to give investors confidence that it was a good place in which to invest

'Any kind of instability hurts investor confidence. Dialogue is the key word'

Nine people died in strikes last Monday when opposition groups called rallies to put pressure on President Daniel arap Moi to institute reforms before general elections due later this year They defied Moi's order which bans demonstrations

On Friday, the Kenyan shilling recouped heavy losses following the strikes, after the Central Bank had unloaded $29 million to counter an outflow of cash

One commercial bank that bid 61,50 shillings (R4,79) to the dollar early on Friday adjusted its offer to 58,60 shillings at the day's close

Cheserem said the central bank was standing by to meet any demand yesterday, but indications were that pressure on the foreign exchange market was easing

"The president must listen to the people. The government won praise for major economic reforms after the 1992 elections. A perception that the question of political reforms will drag on reduces confidence in the system," said Betty Maina, the executive director at the independent Institute of Economic Affairs

At the weekend rally, Moi hinted he was prepared to discuss opposition demands with key organisations in his ruling Kanu party, but did not fix a date for such discussions No date for elections has yet been set

Kirubi, who has close links with Kenya's leadership, said the government was "prepared to make sure the situation does not deteriorate" He anticipated "that would calm markets"

Kirubi said Kenya's leading foreign exchange earner, tourism, faced a threat because "tourists only go to places where there is peace"

In addition, Kenya's top commodity exports, tea and coffee, were threatened by unfavourable weather, he said

He said business wanted to expand manufacturing and create jobs because unemployment was one of Kenya's biggest problems

Some 46 percent of Kenya's population of 29 million people live below the poverty line and income a head is $283, according to official statistics — Reuter

Kenyan police shoot at student rioters

CT 15/7/97 (163)

NAIROBI Police opened fire with live ammunition against rioting students here yesterday, a press photographer said

The police also fired volleys of teargas and rubber bullets as the students from Kenya Polytechnic lit a huge bonfire on a main road and stoned the riot police, who initially retreated, then chased the students on to their campus

The whistling sound made by the live bullets distinguished them from the rubber bullets, the photographer said He saw police carrying East bloc AK-47s and Western-issue G-3s

Another press photographer was seriously injured when he was clubbed on the head by a policeman, but no other major injuries were immediately apparent

Last Monday, riot police charged illegal but peaceful rallies calling for constitutional changes in Nairobi and several other Kenyan towns, opening fire with live bullets in what the Law Society of Kenya termed "cold-blooded murder" and Roman Catholic bishops "progressive genocide"

About 13 people were killed then, most of them shot, and hundreds were injured.

The students rioting yesterday shouted "No reforms, no elections", and said they would not take their examinations unless the constitution was amended

They carried stones in plastic buckets and pelted passersby as a huge crowd watched.

Kenya's Central Bank closed as the battle swirled around it. The central post office also closed

The windscreens and windows of several cars were smashed

Traffic was disrupted as the students and police fought on the dual-carriageway Haile Selassie Avenue here and at the nearby polytechnic

Besides joining the opposition activists in their call for reforms to the constitution to reduce presidential power before elections due by the end of the year, the students are also demanding changes to an education bill they say will disadvantage poor students

A weekend attack on Kenyan presidential candidate Mrs Charity Ngilu by men wielding clubs and machetes was described yesterday by her associates as "political", but the police said it was a "normal highway robbery"

Ngilu suffered cuts to her hands and was treated at the hospital here — Sapa-AFP

Pressured Moi tries to defuse reform pressure

Star 16/7/97 (163)

Kenyan president gives first indication that he is willing to consider reviewing the country's constitution

Sapa-AP
Nairobi

Under pressure from home and abroad, President Daniel arap Moi met religious leaders yesterday and gave the first indication he is willing to discuss legal reforms before this year's elections.

The meeting at Moi's official residence in Nairobi was attended by 17 representatives of all Protestant denominations, the Roman Catholic church and Muslims, the state-owned Kenya Broadcasting Corporation said.

It said the gathering "agreed it was necessary to review the country's constitution with a view to amending or overhauling it to serve the needs, requirements and aspirations of modern Kenya."

The meeting, which was attended by Attorney-General Amos Wako, also agreed that the government should look at the legislative and administrative framework to ensure free and fair elections.

The clerics agreed to make their own proposals and present them to the president, the broadcast said.

The meeting was attended by some of Moi's harshest long-time critics, including Anglican Archbishop David Gitari and Catholic Archbishop Ndingi Mwana a'Nzeki.

Opposition figures and religious leaders have demanded constitutional reforms for years, but the agitation intensified after Moi confirmed in April that the general elections would be held before the end of the year.

Moi, who is seeking a fifth five-year term, says he is not opposed to reforms but claims there is little time.

However, most of the people he met yesterday have demanded reforms before the presidential, legislative and civic elections which by law must take place by the end of December.

Opposition figures have vowed to prevent the elections from taking place if the reforms are not enacted.

Moi has ruled Kenya with an iron fist since 1978.

The apparent climbdown came barely a week after he was widely criticised locally and internationally for ordering anti-riot police to violently break up rallies called by reformists in seven Kenyan towns to demand reforms.

A total of 22 countries, including EU members, the United States and Japan, have pressed Moi to make reforms.

The past week of violent turmoil has also led to a rush for US dollars, prompting Micah Cheserem, the governor of the Central Bank of Kenya, to plead with all political parties to discuss the reforms to avoid scaring away foreign investors.

The reformists want a change of laws dating from British colonial rule which they say are unconstitutional and favour Moi's ruling Kenya African National Union Party, which has ruled Kenya since the country's independence from Britain in 1963.

At least nine people were killed when police broke up the rallies last Monday and at one time police fired four tear gas canisters into Nairobi's All Saints Cathedral and clubbed demonstrators who had sought refuge there.

Since then, anti-riot police have clashed with university students demonstrating both for reforms and against a proposed law that would make university education more expensive.

Last Wednesday, the University of Nairobi and the Jomo Kenyatta University of Agriculture and Technology were closed after students clashed with anti-riot police.

Violent clashes between police and Kenya Polytechnic students followed in Nairobi.

There has been no mention of a meeting between Moi and leaders of half a dozen political parties who have announced plans to seek the presidency in the general election.

JOE ALEXANDER / AFP

Putting the boot in: a Kenyan security force member kicks a disabled boy during another day of rioting by Nairobi's polytechnic students yesterday.

...oi pledges democratic steps

BD 17/7/97 163

Nomavenda Mathiane

KENYAN President Daniel arap Moi gave a Kenyan church delegation an undertaking on Tuesday that he was willing to initiate constitutional changes to bring about democracy in his country, Kenyan Bishop David Gitari, who is visiting SA, said yesterday

Gitari is one of the bishops attending the All Africa Primates conference hosted by SA Anglican Archbishop Njongonkulu Ndungane.

The aim of the conference is to caucus and plan policy positions on issues of interest to Anglican church leaders in Africa

Gitari, who arrived in SA on Tuesday after meeting Arap Moi, left Kenya amid student uprisings which left 11 dead and scores injured The upheavals led to the closure of tertiary institutions.

He said the situation in Kenya was tense and blamed the lack of democracy and Arap Moi's refusal to accept changes as the cause of civil disobedience and rioting

Gitari said his two-hour meeting with Arap Moi had ended on a promising note, with the latter pledging to call the National Delegates Convention of the ruling party before the next elections, which are due this year

He said Arap Moi had previously been refusing to amend the constitution before elections are held

Gitari said the major problems with the constitution were, firstly, that the election of the president was determined by 25% votes in five of the seven provinces Kenyans want to change that to 51% of national votes.

The second problem was that the state media was not accessible to all parties. It was the ruling Kenya African National Union party's tool

He said Kenyans wanted the Public Assemblies Act changed because the constitution did not allow for freedom of association. Opposition parties could not hold rallies without permission from the provincial administrator

Gitari said although they could not get the date when Arap Moi would change the constitution, the promised meeting of the national delegates was a step in the right direction

KENYA

(163)
rm 18/7/97

Moi firm as country slides

Opposition grows in face of economic and political decline

Predictions of the imminent demise of Kenya's President Daniel arap Moi may be based more on wish than reality. Even if the increasingly authoritarian Moi accedes to demands for constitutional reform ahead of elections due by December, the opposition parties are so divided that the man who has ruled Kenya for almost 20 years will probably emerge victorious at the polls, as he did in 1992.

But the possibility that retired Anglican bishop John Okullu, as he says "may succumb to pressure from the masses" and run for president, introduces a new factor in the groundswell against Moi. The last leader with cross-ethnic appeal was opposition leader Oginga Odinga who died in 1994.

Kenya appears to be sliding deeper into economic and social decline, as government crackdowns fail to quell the protests.

Despite government's acceptance in 1986 of the need for economic reforms and a policy of industrialisation, there were "grave lapses in monetary and budgetary discipline" in 1992 which sent consumer prices and interest rates soaring, says *The Economist Intelligence Unit*.

Until 1990 real GDP growth of 4% was sufficient to boost individual incomes, but it fell well below the rate of population growth in 1991-1993 at 0,9%. Drought and a short-lived donor freeze aggravated the slide. In 1994 real GDP grew 3%, in 1995 it was 4,9%, falling to 4% last year.

The ongoing security crackdown has strengthened the belief among many Kenyans that Moi himself is the problem and must go. But a popular, violent uprising to the overthrow of Moi — a la Laurent Kabila's triumph in former Zaire — seems unlikely, analysts say.

The harshness of government's reaction to the pro-democracy protests has amplified the clamour for constitutional change by all opposition parties, none of

Nairobi baton charge *democracy wilts in ethnic confusion*

which stands a chance of coming to power under present rules. To make it fair for all, they say, several laws must be scrapped.

Chief among them is the Public Order Act, in terms of which a licence is required for public meetings of more than 20 people. Under this law, the rallies in various towns on July 7 — in which at least 13 people were killed, apparently as a result of police action — were illegal, says the Kenyan High Commission in Pretoria.

"The situation is under control," it adds. "It's an election year and elections generate a lot of heat. It's nothing to panic about."

The opposition, meanwhile, wants the constitutional provisions for elections changed so that the winner of at least 51% of the total national vote can become president. Currently, the successful candidate must draw at least 25% of his votes from at least five of Kenya's eight provinces.

Other laws governing the registration of political parties, the holding of public meetings and allowing detention without trial are widely considered inimical to multiparty democracy.

Opposition parties also want the polls to be conducted by an independent electoral commission and not by Moi's ruling Kenya African National Union (Kanu), which they say enjoys unfair advantages in access to the media, security services and government funding.

Moi rebuffed these demands last year, saying there wasn't enough time to make the changes before the election.

"He hasn't rejected them outright," says the Africa Institute's Kenneth Kotela, "but the way he unleashed his security forces last week indicates his answer."

A year ago protests, mainly by students, were stamped out by the police. But this time the protests are more widespread. If the police maintain their hard line, Kotela says, the opposition parties could boycott the election.

"Possibly, this is what Moi wants," he says. "He calls them tribalists who are unable to organise themselves but they have at least been able to unite around the call for constitutional reforms."

Moi himself has packed the top jobs in the army, government and civil service with members of his minority Kalenjin tribe.

He became president in 1978, after Jomo Kenyatta died, and in 1982 made Kenya a one-party state. After protests and donors' threat of an aid freeze in the Nineties, opposition parties were permitted to register. But despite support, they failed to beat Moi in the 1992 multiparty elections.

Amarnath Singh

BALANCE OF POWER

Presidential election results, Dec 29, 1992

	Votes	% share
Daniel arap Moi (KANU)	1 964 421	36,4
Kenneth Matiba (FORD-Asili)	1 412 476	26,2
Mwai Kibaki (DP)	1 028 152	19,1
Oginga Odinga (FORD-Kenya)	946 572	17 6
Total incl others	**5 389 451**	**100,0**

Source: The Standard

State of the parties in the National Assembly, March 1995

	Seats
KANU	110
FORD-Kenya	31
FORD-Asili	23
DP	22
National Democratic Party	1
Kenya Social Congress	1
Total*	**188**

* Excludes the 12 nominated MPs who are appointed by the largest party after the general election.

Moi grants foes rally permits

Sowetan 18/7/97

NAIROBI – Kenya's President Daniel arap Moi has made a second concession to the opposition ahead of elections due this year by announcing that henceforth all public rallies will be licensed automatically

Moi said only in special circumstances will permits be denied, and a reason for denial would be immediate, the *Daily Nation* newspaper reported yesterday Denying rally permits to opposition parties while granting them to ruling Kanu party officials has been common practice over the past several years, and caused bitter resentment by opposition leaders and supporters who charged the government was not allowing free and fair electioneering

Moi's concession came a day after he also opened dialogue with church leaders and the opposition over constitutional reform He has promised to meet leaders of all opposition parties next week for more in-depth talks

Several weeks of protests culminated in violent clashes between demonstrators and police on July 7 leaving at least 10 dead

With growing domestic and foreign pressure Moi agreed to relax his hardline stance in what analysts see as a move to ease political tension in the run-up to elections – *Sapa-DPA*

(163)

Kenya's 'settlers' running the gauntlet as politicians look for election ammunition

Star 19/7/97 (163)

By CHANDER MEHRA
INDEPENDENT FOREIGN SERVICE

Nairobi – Asians, Europeans and Arabs who have settled in Nairobi are being targeted in Kenya by opposition political leaders in the runup to elections planned for the end of the year

In a recent interview, Martin Shikuku, a former Assistant Minister in Daniel Arap Moi's government urged Asians, Europeans and Arabs who have settled in Kenya to to mend their ways if the want any future in the country

"That is the ugly truth," he said, adding that the present generation of Africans had tolerated the Asians but "our sons will not do so if they fail to change"

Election time is usually unnerving for people of Indian and Pakistani origin in Kenya Populist opposition politicians tend to make harsh statements against the "Asians" which largely focus on a minority "dominating" the economy in collusion with powerful elements in the ruling Kenya African National Union (Kanu)

Although such claims are hardly ever substantiated, they do tend to incite the impoverished masses

Shikuku, referred to as the stormy petrel of Kenyan politics, continued: "I do not hate the Indians I hate anybody who dominates the economy"

He is generally regarded as a spokesman for the anti-immigrant lobby, is disliked by Indians and Europeans alike, and is said to be popular with a section of Africans, possibly, some say, because of his "habitually" strong anti-Asian statements

"The war is on for economic independence This will be and must be achieved. Racial or non-racial, rational or irrational, it must be won," he said

"They say the Indian has worked very hard Give the devil his due But who has made him what he is? The black man, who sweeps his toilet, carries his bag of wheat; the black man works and the Indian enjoys," he said

Rumours

In Kenya, however, the current Asian population is less than 50 000 from a peak of 177 000 at the time of independence in 1963

"If such incendiary statements continue, many more will depart and that will worsen the already tight economic situation," said a Western diplomat

The Kenyan government, like any other in the world, does not want the country's economy to be seen to be dominated by a minority – tribal, racial, traditionally local or Kenyan by adoption or domicile

Moi has often chided some Africans for blaming their failures on Asians and has at times even accused "cooks in Asian homes" of spreading malicious rumours about their employers

But "a healthy business world is one free of domination by any grouping, whether tribal, ethnic or religious," he said recently

As far as the government is concerned, the Asians are not discriminated against

One-time very powerful cabinet minister Charles Njonjo – since retired from politics – says people like Shikuku make biased statements without substance

"For every Shikuku, there are five Africans who believe the Asians are making a positive contribution to the economy They did not become rich overnight as if money had dropped from heaven."

He cited the examples of many individuals who worked their way up from small beginnings at the turn of the century

"Some of them went into the most inaccessible parts, trekking through some of the most treacherous jungles, and established small businesses"

But there remains an undercurrent of resentment against Asians' apparent influence

"They have the best houses, the best cars, the best businesses and industries and the best jobs," wrote the editor of a major newspaper recently

..red Moi tries to defuse reform pressure

Star 16/7/97

..it gives first indication that he is willing to consider reviewing the country's constitution

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from taking place if the reforms are not enacted.

Moi has ruled Kenya with an iron fist since 1978.

The apparent climbdown came barely a week after he was widely criticised locally and internationally for ordering anti-riot police to violently break up rallies called by reformists in seven Kenyan towns to demand reforms

A total of 22 countries, including EU members, the United States and Japan, have pressed Moi to make reforms.

The past week of violent turmoil has also led to a rush for US dollars, prompting Micah Cheserem, the governor of the Central Bank of Kenya, to plead with all political parties to discuss the reforms to avoid scaring away foreign investors.

The reformists want a change of laws dating from British colonial rule which they say are unconstitutional and favour Moi's ruling Kenya African National Union Party, which has ruled Kenya since the country's independence from Britain in 1963.

At least nine people were killed when police broke up the rallies last Monday and at one time police fired four tear gas canisters into Nairobi's All Saints Cathedral and clubbed demonstrators who had sought refuge there.

Since then, anti riot police have clashed with university students demonstrating both for reforms and against a proposed law that would make university education more expensive.

Last Wednesday, the University of Nairobi and the Jomo Kenyatta University of Agriculture and Technology were closed after students clashed with anti riot police.

Violent clashes between police and Kenya Polytechnic students followed in Nairobi.

There has been no mention of a meeting between Moi and leaders of half a dozen political parties who have announced plans to seek the presidency in the general election.

JOE ALEXANDER / AFP

Putting the boot in a Kenyan security force member kicks a disabled boy during another day of rioting by Nairobi's polytechnic students yesterday

KWENDO OPANGA
Nairobi

DESPITE the promises made by President Daniel arap Moi to accommodate increasingly strident demands for political reform, Kenyans this week felt the shadows of 1990 fall upon them.

In that year thousands rose up in rebellion against the ruling party's monopoly of political power. The Kenya African National Union had become exclusivist and dictatorial and, in response to the unrest at that time, Moi promised to introduce constitutional reforms.

It seemed to work. The people were placated and Moi went on to win the 1992 elections, beating a divided opposition under a constitution which diluted, but retained, his dictatorial powers.

With general elections expected to be held later this year, the party and its leaders have yet to deliver on their renewed assurances of constitutional reform and this time their opponents are far less likely to be placated by promises they expect to be broken.

As late as New Year's eve 1994 Moi, in his address to the nation, said there would be constitutional reform in place for this year's elections, even though party stalwarts insisted that non-party activists would not be allowed to participate in the debate on reforms.

Matters have been so delayed that even the National Convention Executive Committee, which groups opposition and government leaders, now agrees there is no time before the general election for comprehensive constitutional reform. Nevertheless it has insisted on "minimal" changes to be introduced as a prerequisite for free and fair elections.

If the Kanu-dominated parliament agrees and enacts a proposed reform Bill, the repeal of 11 laws identified by the opposition would reduce the power of Moi — 73 and in power for 19 years — before presidential and parliamentary polls. Legislation to be repealed or amended includes the Public Order Act, the Preservation of Public Security Act providing for detention without trial and the Societies Act, under which all political parties must be registered.

The government and Kanu, however, now insist that the constitution cannot be changed piecemeal and that any changes — including the "minimal" ones — must be postponed until after the election.

In the face of this stubbornness, opposition parties, non-governmental organisations and church-based groups fronting the clamour for change upped the ante by organising rallies in defiance of the Public Order Act, which requires that activists seek licences for such gatherings.

The government reacted in typical knee-jerk fashion, outlawing the gatherings.

Opposition politicians and activists, however, grew defiant and headed for the Kamukunji grounds, the venue used by nationalists in the 50s and 60s to address rallies when agitating for independence from British colonial rule.

The police used force to disperse crowds and stop people from assembling at the venue.

Another rally called for Central Park in downtown Nairobi, next door to such landmarks as the Intercontinental, Grand Regency and Serena hotels, parliament building and the University of Nairobi, was aimed as a tactic to embarrass the Moi government in front of the country's for-

··OMISES, PROMISES: President Daniel arap Moi, whose assurances of constitutional reform are becoming less convincing to his political opponents Picture: AP

Kenya's promised reforms broken by policemen's batons

Z (163)

July 7 becomes a date with destiny for an electorate betrayed

ST 20/7/97

eign visitors Tanzania's President Benjamin Mkapa was one of them on June 1, when Kenya celebrates the day it attained internal self-government 34 years ago

Anti-riot police sporting visored helmets, some on horseback and several hundred others carrying tear gas canisters and armed with guns, dispersed the crowds and unleashed a wave of looting and plunder Rampaging mobs broke into business premises, set up barricades on roads and robbed motorists, and burnt the national flag — the inflammatory passions of 1990 had returned with a vengeance, with as many as 16 people killed in the renewed violence

After a sustained increase in protests, including one in parliament on budget day, the stage was set for the violent events of July 7, a day that has come to be known as *saba saba* — Swahili for seven seven or the seventh day of the seventh month

On this day in 1990 the system of one-party rule took its first step backwards when former government minister Kenneth Matiba and expelled Kanu member Charles Rubia called for a rally at Kamukunji to press for political reform

They were arrested and detained without trial and conceded to government demands to retract their call for the rally Kenyans nonetheless turned up in their thousands and engaged police in running battles in which nine people were killed

Since then the reform lobby has designated July 7 as its version of South Africa's June 16 Soweto day and used it as a rallying point

This year on July 7, police stormed the Anglican All Saints Cathedral and broke up the service called there

Western missions in Nairobi were aghast and the shilling took a beating as it dropped by six percent in the aftermath of the riots, forcing the governor of the Central Bank, Micah Cheserem, to go on TV to assure investors that this was a temporary slide and that matters would change

However, even Cheserem joined the calls for dialogue as it became evident that there could be a flight of capital as visitors cancelled bookings and inflation increased

But by Friday, leaders of the reform campaign were unconvinced by Kanu's moves to meet their demands and said they would stick to their crusade for change

"There is nothing I have seen so far that convinces me (the government's) commitment is genuine," opposition politician Richard Leakey said

"We must see what is brought to parliament next week," added Leakey, secretary-general of the unregistered Safina party and a world-renowned palaeontologist

The constitutional review would be completed after the polls

"I am apprehensive Kanu is trying to stem the crisis, not to change genuinely," said Reverend Timothy Njoya, a Presbyterian cleric whose arm was broken in clashes between riot police and demonstrators earlier this month

"We don't want (Kanu) to represent themselves as the reformists But we welcome Kanu's change of heart," he said

But the confusion generated by Kanu appeared to have hit at popular support for the convention executive committee Minutes after the time set by the reform movement for the start of an open-air prayer service in a Nairobi park on Friday, only a few people had gathered

The July 7 clashes were followed by student unrest, prompting tourist cancellations and a crisis of confidence among investors Tourism is Kenya's main foreign exchange earner

Kanu's proposals were announced after the committee called for a series of new "mass actions" including a rally on Saturday in Kenya's second city Mombasa, the centre of its coast tourism industry, and a nationwide general strike and sit-in on August 8

Members of Kanu's national executive council went beyond a statement issued after Thursday's meeting which made proposals and said that they were meeting opposition demands for reform

"They asked for so-called minimum constitutional (political) reforms We have not only agreed to these, but have also proposed that comprehensive reforms be examined," said Nicholas Biwott, a government minister of state

□ *Opanga is an associate editor at the Daily Nation in Nairobi*

Kenya still in shock after rioting

(163)

ET (BA) 22/7/97

JOE KHAMISI

Dar es Salaam — The Nairobi Stock Exchange (NSE) is struggling to recover from the effects of the political violence of July 7 and the rippling aftermath which saw the bourse slump to its lowest level in more than a year

The shilling, which was battered to a 6 percent depreciation in three days of chaos, rallied to around 57,50 to the dollar a week later from a low of 61,50

A dozen people were killed in the turmoil linked to an opposition campaign aimed at forcing a stubborn President Daniel arap Moi to accede to constitutional reforms before general elections later this year.

Although Moi now appears to be softening, the economic shock could take a longer time to recover

During the mayhem, banking and investment transactions estimated at millions of dollars stalled, while manufacturing, retail trade and transportation remained paralysed for three days

At the NSE, most foreign investors instructed their brokers to defer commitments The majority of foreign investors in Kenya go for short-term investment because of the country's high debt and stock returns However, such investment is often prone to market sensitivities "Returns from the bourse here are as high as 25 percent, and no investors will make speedy decisions," one broker said "They will wait for fresh instructions"

In June, the daily turnover at the NSE averaged around $25 million But during the week of the chaos it dropped to between $5 and $7 million Tour operators have reported cancellations of visits booked for July.

Economic analysts fear the shilling's slump will trigger inflation beyond single-digit levels and affect the economic growth projections of 4 percent envisaged for this year — Independent Foreign Service

Students trickle back in Kenya

(163) CT 22/7/97

NAIROBI. Students at universities in Kenya that closed two weeks ago trickled back yesterday after the government defused a violent political crisis by promising reforms demanded by the opposition

Final-year students at the University of Nairobi and at Jomo Kenyatta University to the north were asked to report back yesterday and other students were called for staggered returns over the next week

The two universities, with 25 000 students, were closed two weeks ago during clashes with police to press the government for political reforms before elections this year

At least nine people were killed in Kenya on July 7 when riot police broke up demonstrations called by an alliance of opposition-backed groups demanding constitutional reforms.

After the worst political unrest in Kenya in seven years, the ruling Kenya African National Union party led by President Daniel arap Moi offered its own package of reforms and a constitutional review, which would end after the polls — Sapa

Kenya calmer but reform still on agenda

(163) Star 22/7/97

Nairobi — Students from Kenyan universities, which closed two weeks ago, trickled back yesterday after the government defused a political crisis by promising reforms demanded by the opposition

Following the worst political unrest in Kenya in seven years, the ruling Kenya African National Union (Kanu) led by President Moi offered its own package of reforms and a constitutional review.

Attorney-General Amos Wako said he had begun work on draft legislation which would be ready in two weeks One bill would repeal or amend 11 laws that the opposition says are oppressive

However, leaders in an opposition alliance, known as the National Convention Executive Committee (NCEC), campaigning for reforms before a general election, hit out at Wako for starting to draft legislation without consulting them

Moi has agreed to meet opposition leaders this week to discuss reforms But opposition parties are divided over whether to attend the talks, with some parties demanding a comprehensive dialogue including, but not led by Moi

The NCEC said protests scheduled for the rest of July and August will go ahead — Reuters

Kenyan students return to campus

bb 22/7/97

(163)

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At least nine people were killed in Kenya on July 7 during a day of riot police breaking up demonstrations called by an alliance of opposition-backed groups demanding constitutional reforms.

Following the worst political unrest in Kenya in seven years, the ruling Kenya African National Union (Kanu) party led by President Daniel Arap Moi offered its own package of reforms and a constitutional review, which would end after the polls

Attorney-general Amos Wako said on Friday he had begun work on draft legislation which would be ready in two weeks One bill would give the president powers to appoint a commission to review the entire constitution, he said

The second would repeal or amend 11 laws the opposition says are oppressive The bills would be presented to the cabinet for approval before being tabled in parliament, Wako said

Leaders in an opposition-backed alliance, known as the National Convention Executive Committee (NCEC), campaigning for reforms before a general election, hit out on Sunday at Wako for starting to draft legislation without consulting them at all

Moi agreed last week to meet opposition leaders this week to discuss reforms but opposition parties are divided over whether to attend the talks

The NCEC says protests scheduled for the rest of July and August will go ahead, starting with a day of prayer in Kenya's Indian Ocean port of Mombasa on Thursday and a rally on Friday

It is unclear how much Moi's move will drain support for the alliance of opposition parties, human rights groups and other bodies demanding reforms before presidential and parliamentary polls — Reuter

MAIL & GUARDIAN
July 25 to 31 1997

Daniel arap Moi: Can he be trusted?
PHOTOGRAPH SACHA J

How deep will Moi's reforms run?

(163) M+G 25-31/7/97

Judging by his failure to deliver on past promises, Kenya's president will no longer find many willing believers, writes **Stephen Buckley** from Nairobi

A SERIES of dramatic moves last week by Kenya's government gave the appearance that President Daniel arap Moi is backing down in the face of protests for constitutional and other legal reforms

But opposition activists and politicians say that the government's new enthusiasm for reform stems from a desire to strangle, not strengthen, calls for change

Moi, in power since 1978, met with prominent clergy, promised to meet opposition leaders this week, agreed to ease tough laws concerning public rallies and said he plans to create a commission on constitutional reform

The actions "are welcome, but they are piecemeal and half-baked", said the Reverend Timothy Njoya, a Presbyterian minister at the forefront of the reform movement "They are still not dealing with the presidency As long as he maintains the kind of power that he does, changing of laws doesn't matter "

Moi, under whose authoritarian rule Kenya has become one of the poorest and most corrupt societies in sub-Saharan Africa, has a history of political manoeuvring and manipulation that makes it hard to determine whether he truly has embraced constitutional reforms He has long been a master of subverting the opposition with just enough concessions to cool protests and tamp down the fears of foreign investors and diplomats

Moi has, for example, declared support for constitutional reforms before In 1995, he promised a thorough review of the country's governing document, only to change his mind months later

Such memories are seared into the collective psyche of the reform movement, and its leaders say they are determined not to be so easily pacified this time

Nonetheless, Moi's opponents express fear that his actions this week will smother public enthusiasm for protests planned throughout the country in the next month The demonstrations, including a national strike and a day of prayer, will follow a series of protests that have resulted in at least 11 deaths, as security forces have put down the unrest with sometimes brutal force

In addition, reform movement leaders stepped up their call last week to disrupt elections to be held this year They said they plan to ensure that even if a vote occurs, the turnout will be too low to make it legitimate

Moi is "trying to make the protests meaningless", said Richard Leakey, the famed paleontologist and conservationist who has become a leading political activist in Kenya during the past two years "It's going to be tough for [the reform movement] to figure out how not to lose the initiative "

Concerning Moi's proposed reforms, he added: "I don't think it's an entire sham The question is just how deep it goes "

Reform movement leaders say their scepticism is justified They note, for example, that of the 17 clergymen with whom Moi met early last week, only three are known as outspoken critics of the regime

A number of those present have long been solid supporters of the president.

Leaders of the reform movement are also concerned about this week's planned meeting between Moi and opposition leaders The meeting was scheduled after Michael Kinjana Wamalwa, the official opposition leader, and Moi got together for about 15 minutes last week.

Wamalwa has supported the call for constitutional reforms but has been stained with accusations of wrongdoing in connection with two major financial scandals in the past few years

The planned meeting also makes activists nervous because the opposition in Kenya is among the most fractious in Africa The reform movement — a coalition of clergymen, opposition politicians and human rights activists — has gained momentum in recent weeks in part because the parties have maintained a fragile unity

Would-be reformers such as Gibson Kamau Kuria, a leading human rights lawyer, and Njoya, himself beaten bloody by security forces two weeks ago, say Moi is seeking to set opposition politicians against the clergy and human rights activists

"If Moi pushes out the intellectuals, he will gain the upper hand again," Njoya said, sitting in his livingroom across from a painting of Daniel in the lion's den "We are pulling the carpet from under his feet."

— *The Washington Post*

Kenya's constitutional reform talks stall

BD 25/7/97 (163)

NAIROBI — Negotiations on constitutional reform in Kenya in the wake of political violence stalled yesterday as the governing party ruled out discussions with a pro-reform lobby

Its leaders paid a call on President Daniel Arap Moi on Wednesday to present pre-election demands, but found the president was not there to receive them, and ended up leaving their documents with his cabinet secretary

Joseph Kamotho, the secretary general of the ruling Kenya African National Union (Kanu), said his party would not "abdicate its responsibility or delegate it to nonelective bodies" Kanu would negotiate only with elected representatives of the people, he said

The leaders who met cabinet secretary Fares Kuindwa urged their followers afterwards to be "extremely peaceful" in the run-up to presidential and parliamentary elections expected late this year, but firebrand Muslim cleric Khalid Balala threatened a "popular uprising"

Opposition members of parliament and civic groups agitating for a more democratic constitution met on Tuesday and resolved that negotiations with the government should be spearheaded by the National Convention Executive Council, which tried to meet Moi on Wednesday The council groups opposition politicians, nongovernmental organisations, and church and youth groups

Reacting to Kamotho's remarks, Richard Leakey, a renowned paleontologist and conservationist and a leading member of the unregistered Safina party, said Kanu was "totally unable to grasp issues" and described the party as a "political dinosaur"

"Nobody wants to negotiate with Kanu The National Convention Executive Council would like Kanu to participate as a component of the council in negotiations with the government about constitutional and legal reforms," Leakey said

"It is essential for everyone to come to terms with the reality, which is that in a multiparty system, the elected president has a constitutional obligation to distance himself from party politics where these impinge on national issues," he said

The ruling party called on the government last week to introduce a bill during the current parliamentary session that would empower the president to establish a constitutional review commission

Moi last week promised to meet a delegation of opposition members of parliament this week to discuss constitutional reform

Kanu's stand followed violent clashes between political demonstrators and riot police which peaked on July 7. Thirteen people were killed and hundreds injured as the unlicensed but initially peaceful protests turned into running battles after police moved in to break them up

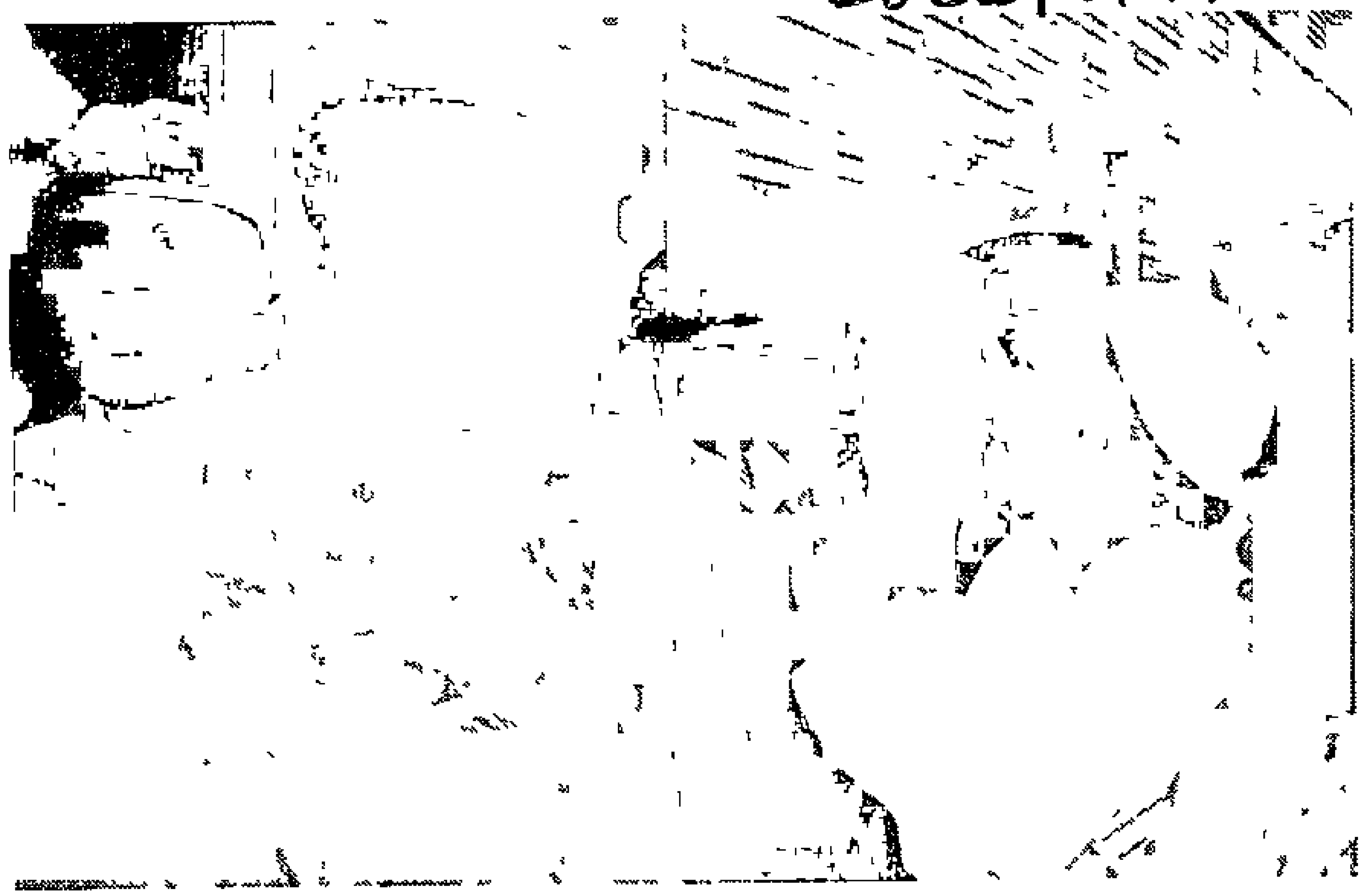
Opposition leaders want reforms introduced fast to ensure that the elections are free and fair, and have threatened to disrupt them if the reforms are not implemented

Britain announced on Wednesday that it was reviewing its aid to Kenya

International Development Secretary Clare Short told parliament "We are very worried indeed by the situation in Kenya

"We are monitoring the situation closely and have indeed been reviewing our aid contributions

"It would be a tragedy if Kenya were to become more and more repressive and cut off from the rest of the world," she said "But we cannot tolerate the kind of behaviour that is continuing and continue to give the same sort of contribution in aid donations that Britain has historically given to Kenya" — Sapa-AFP



Opposition leader and head of the Islamic Party of Kenya, Sheikh Khalid Balala, pleads with presidential guards to allow him to enter the president's office in Nairobi to deliver the opposition's reform plans Picture AP

Kenya urges SA government to level the playing fields

Kenyan businesses say they are losing out in the trade race with SA, writes **Louise Tunbridge** in Nairobi

(163) BD 29|7|97

AS MORE and more SA companies reach out for new markets in east Africa, Kenyan businessmen say they are being left behind

Since the end of apartheid in 1994, the volume of trade between the two countries has increased by more than 500% to a total of about $240m, but the balance is heavily weighted towards SA

SA imports to Kenya grew from about R664m in 1994 to R953m last year. Kenyan exports to SA over a similar period improved from R28m to R123m

More than 100 SA families, the majority representing SA companies, are now living in Nairobi

According to the SA high commission, this influx has occurred during the past nine months and is a measure of the success of many companies in gaining a steady foothold in Kenya Since its opening in 1994, the high commission has had a trade commissioner tasked with investigating potential opportunities and facilitating access for SA businesses Kenya has no similar post at its high commission in SA

Some of the larger firms already established in Kenya include Bell Equipment, Engen, Sappi and Multichoice, with SA Breweries due to enter the lucrative beer market towards the end of the year

There are large amounts of money involved but most is invested in goods or services for sale For example Winemasters, part of BP Investments, imports 24 containers of wine from the Stellenbosch vineyards every year

So far, however, little SA money has been invested infrastructurally, although two large projects indicate a new thrust in that direction

SA Breweries is spending $40m on a new plant at Thika, about 100km north of Nairobi, and McCormick is investing a further $60m constructing the Fox City shopping mall on the site of the Fox drive-in cinema on the outskirts of town

This month 35 companies selling a wide range of goods and services from packaging, wine and glass to financial services, health equipment and furniture joined an SA trade mission to east Africa

They included the Premier group, one of the largest blue-chip companies in SA with a turnover of about $3,5bn, and its dairy arm, Bonnita, which operates the largest cheese and milk factories in southern Africa

But for many Kenyans, the galloping advance from down south is seen more as a threat than an opportunity

"The South Africans have definitely made a very aggressive entry into our market and it's very much one way at the moment," said Kenyan businessman and economist Robert Shaw

Over the years, import tariffs and taxes have kept Kenyan coffee, tea and horticultural products out of the SA market

SA's ongoing policy of reducing tariffs has not moved fast enough for some Kenyan exporters, who have tried to compete and have failed miserably.

According to Kenya's Chamber of Commerce chairman, Kassim Owango, SA still has a controlled economy and should do more to level the playing field

"We appeal to SA to help us bring up the Kenyan baby at the same pace as you are growing Right now there are too many bottle necks

"We need your expertise and your investment Why not invest in our tourism, manufacturing, mining and agriculture?" he urged delegates at this month's trade mission

The Kenyan government points out the steps it has taken to liberalise its economy and provide an attractive climate for investment Most import is that licensing requirements have been abolished, except those on certain products restricted for reasons of national security, public health or environment

Foreign exchange controls have been removed and importers no longer have to apply to the central bank for hard currency

A recently established export processing zone offers a package of incentives to investors, including tax holidays and duty-free importation of raw materials

Broader investment by South Africans in Kenya may be a prospect for the future, but for the time being those leading the present trade boom say Kenyans must toughen up and make the most of it

"Kenya is in a better position now than ever before," said an SA diplomat "SA is four hours away, price wise it's good and also tariffs are easing. Kenyans are free to compete"

IMF loan at risk after Kenya sacks official

BD 30/7/97 (163)

Kenyan president Daniel arap Moi's international credibility has been dented by two new developments, write Michael Holman and Michela Wrong

KENYA's relations with the International Monetary Fund (IMF) hung in the balance this week as western donors assessed the implications of government's decision to sack its top customs official, who has played an important role in fighting corruption

The dismissal of Samuel Chebii, the commissioner for customs and excise, coincided with the publication of an official report which details, for the first time, a series of controversial government transactions Both developments happened last week but details emerged only on Monday and are likely to renew doubts about President Daniel arap Moi's commitment to clean government

The IMF last week gave Nairobi until tomorrow to take "strong steps" to tackle government graft or see its $220m enhanced structural adjustment facility suspended. This would constitute the first break in relations between the fund and Kenya since 1991.

IMF officials have been awaiting Moi's decision on whether to establish an independent anti-corruption authority with sweeping powers to investigate and prosecute top government officials Although attorney-general Amos Wako is reportedly drafting a bill to establish such an authority, western diplomats warn that the dismissal of Chebii has dented the president's credibility

Also hanging over Moi are long-standing donor questions about the transparency of two power contracts as well as doubts about the management of Kenya's inefficient energy sector

Observers in Nairobi now expect the IMF loan to be suspended This would damage Kenya's financial standing and lead to reduced aid flows

Chebii is regarded as a key figure in an IMF-backed campaign to clean up Kenya's graft-ridden port of Mombasa He lost his job after challenging the importation of 6 000 tons of sugar by a powerful businessman in the city

The commissioner suspected the consignment, nominally destined for Tanzania and therefore exempt from duty and taxes, was about to be dumped on the Kenyan market — a widespread practice which has undermined the country's sugar industry

A report in a local business magazine claimed Chebii, who has been transferred to the finance ministry, had been sacked on the instructions of a member of Moi's office.

The official report, compiled by parliament's public accounts committee, focuses on "unconstitutional expenditures" in the 1994/95 financial year, including the purchase of a presidential jet and the building of a new international airport in Moi's rural home town

Eldoret airport, completed last year in the president's country retreat, about 250km from Nairobi, was built despite strong World Bank opposition at a cost of $49m The government has always claimed that the airport would handle flower and vegetable exports from central Kenya, but it still remains unused by commercial airline operators

The committee's report noted that "most of the relevant records have not been made available for audit review" The project was not put out to competitive tender, it said "No details have been seen to indicate how the contractor for the project was identified before the contract was awarded."

The committee also reported that between September 1994 and December 1995 the Kenyan treasury had paid $46,8m for a Fokker presidential jet although "no budgetary provision had been made and approved by parliament" — Financial Times.

Kenya asks IMF to extend aid deadline

(163) BD 1/8/97

NAIROBI — Kenya's finance minister said yesterday the government had asked the International Monetary Fund (IMF) to extend a deadline for it to fight corruption or lose a big aid package.

"We asked for extra time and . . we are waiting for an answer," Finance Minister Musalia Mudavadi said.

The IMF deadline had been due to expire yesterday.

Last month it demanded that the government take action to show its commitment to fight corruption and reform the energy sector.

The Kenyan shilling fell against the dollar and pound yesterday because of market uncertainty. The Nairobi stock market was nervous as foreign investors and local businessmen awaited the IMF verdict expected to be announced in Washington.

The shilling weakened to 58,92 to the US dollar yesterday. The IMF extended a three-year enhanced structural adjustment facility loan worth $205m in April last year but payments were conditional on Kenya meeting its reform promises.

The last scheduled payment of $36m was delayed by the IMF for a month from June 30, mainly because of concern at Kenya's handling of the multimillion dollar Goldenberg International financial scandal.

The IMF hit out at the Kenyan authorities failure to "take decisive steps to ensure transparency and accountability in the use of public funds and to resolve outstanding energy sector reform". — Reuter.

Coffee price fears dispelled

(163)

Maja Wallengren CT (Bus) 6/8/97

Nairobi — Kenya's drought-affected mild-washed arabica coffee continued to attract high prices while the cup quality remained high, an official of the Coffee Board of Kenya said at the weekend

"When I saw the effect of the drought in March I was shocked I expected the cup quality to be very poor," said Simeon Onchere, the board's London-based representative

"But the quality of the coffee coming from the drought-affected areas has been surprisingly good," Onchere said

The cup quality was reflected in high prices for Kenya's premium mild-washed arabica coffee, which was selling above average prices on the New York arabica market, he said

Onchere predicted prices on the coffee auction in Nairobi today would be higher than general expectations, given the competition on the world market for high-quality coffees for the gourmet sector

"The prices will be better than people expect because the competition is stiff and people are starting to buy the top-quality arabica coffee for Christmas now

"The premiums are fetching prices above New York What is going to happen in the next year is that the top- quality end of the market will continue to attract high prices "

Kenya's coffee crop in the 1996-97 season has been badly affected by a severe drought which swept east Africa from late last year to March and which led to huge drops in original crop forecasts

Kenya produces two coffee crops a year, the main and smaller mid-crop, which is reaching auction markets now

Onchere said the fly- crop was seen at 20 to 30 percent lower than early predictions, but he was unable to give any figures

"There is going to be a potential drop of anything between 20 and 30 percent of the fly-crop, but we don't know how much yet

"The bags are being brought in from the farms, and we will have the final count by the end of September"

After the drought this year, coffee production in 1996-97 is now estimated at around 75 000 to 78 000 tons, compared to 97 575 tons in 1995-96 and 95 806 tons in 1994-95

Coffee stands third behind tourism and tea as a leading foreign exchange earner,

Only gossip safe from state control

BD 5/8/97 (163)

The Kenyan government's rigid grip on the media has hoodwinked the country, writes Michela Wrong

ON Friday night at Nairobi's Machakos bus station, Kenya's most independent, if haphazard, news network springs into life. As the thousands of workers board buses for the countryside, they take with them a week's worth of political gossip.

However sketchy, the stories they feed the people back home will often be the only unbiased information on events that hit a government nerve.

If a new opposition party is launched, a human rights organisation criticises Kenya or donor nations threaten to cut aid, isolated rural communities may only hear about it by word of mouth.

Five years after the introduction of a multiparty system, the state's grip on the media remains rigid.

As a result, free access to the media is a bone of contention between the government and reformers in the run-up to elections expected this year.

"The majority of Kenyans do not understand what is going on in their own country," says David Makali of the Media Institute, a nongovernmental organisation working for freedom of expression. "So they cannot participate in debate on the issues of the day."

This murky vision is partly the result of a careful licensing regime and the ruling Kanu party's heavy — if veiled — presence in the media industry.

Illiteracy and poverty levels put the usual sources of uncensored information — satellite and cable television, international wire services and the Internet — out of reach of all but a tiny elite.

In a population of 29-million there are 400 000 television sets. Given that four people probably have access to each set, that still means only a tiny fraction of Kenyans watch the state-run Kenya Broadcasting Corporation (KBC). Even fewer see the private Kenya Television Network (KTC), available only in Nairobi.

With their ritualistic opening to most news broadcasts — "his excellency President Daniel arap Moi today . . ." — neither is a bastion of free speech.

When KBC switches to the BBC World Service television or KTN hooks up to CNN, the US television news organisation, sensitive items on Kenya are slashed.

Critical journalism is the prerogative of the print media, in the form of the hard-hitting Daily Nation and East African (both owned by the Aga Khan), Economic Review and The People.

However, distribution reaches only the big towns, and readership is confined to a literate, urban public.

As in most African countries, the only medium that reaches every village is the radio, listened to by more than two-thirds of adults. This is where the Kenyan government's hand is most evident, in the range of vernacular services offered by KBC.

Licensing of potential rivals is very slow. The Media Institute estimates the government is sitting on 103 applications for television broadcasting licences and 43 applications for radio licences. With the exception of the BBC, which recently won permission to broadcast its Swahili and Somali service on FM, the handful passing the test offer the blandest of fare.

The problem has dragged on for so long that members of Kenya's opposition are playing with the idea of setting up a pirate radio station on a vessel floating in the Indian Ocean.

When criticised by western donors, the government points to the range of nominally independent newspapers, radio and television stations.

However, the reality of who calls the shots at KTN, for example, was recently made very clear.

When riot police cracked down on demonstrators calling for constitutional reform on July 7, KBC read a government message thanking Kenyans for not joining the protests.

KTN, instead, showed police breaking down doors and clubbing women with children strapped to their backs.

The next day, KTN's head of news and his deputy were summoned by the board. The dressing-down, which culminated in the two being temporarily suspended, was delivered not at the KTN offices, but at State House — in front of Moi. — Financial Times.

AFRICA

Kenya runs into mounting problems

BD 6/8/97

(163)

Maja Wallengren

NAIROBI — The International Monetary Fund's (IMF's) recent decision to cancel its loan agreement with Kenya has exacerbated uncertainty about the country's economy

Analysts agree that the economy has been declining in recent years, despite having had good potential.

Donors have repeatedly cut or suspended aid programmes to Kenya because of corruption, which they have said generated greater losses in some years than the sums contributed via development aid Kenya's aid from the United Nations Development Programme was at $997m and $857m in 1992 and 1993 respectively.

President Daniel arap Moi has been facing growing pressure from scared investors — as well as air traffic controllers who entered the fourth day yesterday of a go-slow over pay which has caused chaos at the airports The airport in Nairobi is considered the hub of east African transport routes and businesses face mounting losses

The Kenyan shilling also continued to drop in value this week and was at 63,50 to the dollar yesterday, down from 58,90 on Thursday before the IMF decision was announced

Investor confidence dived and many foreign investors pulled out of the Nairobi Stock Exchange, selling treasury bonds worth 250-million shillings against 13,35-million shillings for the whole of the previous week

Businessmen complain about the poor state of telephones and roads, and say power cuts and potholes are even common in the capital, Nairobi

Corruption is another key problem in the country. Last year the Berlin-based group, Transparency International, rated Kenya, Nigeria and Pakistan as the most corrupt places in the world to do business. However, it was government's lack of will to act on corruption that made the IMF pull the plug by allowing the $205m structural adjustment loan to lapse. It said it believed the measures taken by government "fell short of meeting the clearly expressed concerns of IMF member countries in the area of governance"

Most donors have welcomed the IMF move, saying it was necessary to send a serious message to government

Central Bank governor Micah Cheserem has called for spending cuts to meet the multimillion-dollar shortfall in budget and exchange reserves, but Moi has not yet approved this.

The most serious scam which has annoyed donors involved Goldenberg International, which was paid $100m by government in 1992 under a compensation scheme for gold and diamond exports. Kenya produces no diamonds and minimal amounts of gold.

Despite international pressure government has still not made serious efforts to punish those guilty in the case.

A spokesman for an international lending institution said "The government is good at presenting its accounts so that it appears that the social, health and education sectors are getting what they need But when you visit rural areas it becomes clear the money has gone somewhere else because people receive absolutely nothing."

However, a senior manager from a big SA company in Kenya said he was hopeful conditions would improve. "From a business point of view you are not thinking too much about elections or immediate problems, you are thinking 10 years into the future, and things have to be better by then"

DEVELOPMENT *Cabinet calls for self-reliance*

Kenya foresees tougher times without IMF aid

ET (BR) 6/8/97 (163)

Manoah Esipisu

Nairobi — Kenyan executives and industrial analysts yesterday rejected as "nonsense" a cabinet statement that called for investor calm and declared that Kenyans should become self-reliant after the International Monetary Fund (IMF) cancelled a key aid package.

"The cabinet is saying that Kenya can manage on its own That is very disappointing Kenyans must prepare for severe hardships in the next year," said a high-ranking corporate executive

The government gave no specific proposals on future management, but in an apparent appeal to bilateral donors not to follow the lead set by the IMF, it said it welcomed support from development partners

The IMF last Thursday suspended a $205 million three-year loan, citing concerns over corruption, highlighting a scandal involving Goldenberg International to show how authorities were reticent in cracking down on corruption

Goldenberg was paid about $100 million by the government in 1992 under a compensation scheme for gold and diamond exports Kenya produces little gold and no diamonds

The IMF decision severely rattled foreign exchange and equity markets On Monday, the shilling slid with high dollar demand, easing to close at 63, some 3,25 percent down on Friday's close.

The World Bank has said it was studying the situation, but other bilateral donors have yet to make their positions clear

The Kenya Association of Manufacturers (KAM) and political and business leaders expressed disappointment that the cabinet had not said how it would fight endemic corruption

Manu Chandaria, the chairman of KAM, said there were obviously difficult times ahead and urged the government to return to the negotiating table with the IMF as soon as possible to save the economy from any further battering "Investor confidence is not just in the hands of government. There are many forces that influence investment, and the Kenyan government must be seen to take steps that will help streamline what was derailed last week," Chandaria said.

He said Kenya needed foreign funds to develop the energy sector as well as dilapidated infrastructure. These would be deeply undermined without Western donor help — Reuter

TEA

(163)

Fall in Kenyan output blamed on weather

Kenya's tea production fell by about 28 percent in the first six months of this year compared with the same period last year on account of bad weather, Africa Tea Brokers (ATB), a leading brokerage, said yesterday "The cumulative figure for 1997 (January to June) now stands at 96,73 million kg — a decrease of 37,6 million kg, or 27,99 percent, over the previous year," ATB said

The crop figure for June this year was 16,264 million kg, a fall of [illegible],634 million kg over the same month last year, ATB said

Although there were "fairly useful" rains in the Nandi and Kercho districts in the latter part of June, most growing areas remained cold and wet, the brokerage said

It said growth was inhibited and plucking rounds had been reduced "Currently, with slightly warmer temperatures, leaf intake will show a gradual improvement except in Sotik and areas east of the Rift (Valley) where crops remain very low," ATB said

ET (BR) 6/8/97

Last year, Kenya was the world's leading exporter of black teas That position is widely expected to be reclaimed by Sri Lanka this year Kenya's production last year was a record [illegible]7 million kg, according to official statistics. — *Reuter, Nairobi*

☐ COFFEE

ET (BR) 6/8/97 (163)

IMF ruling 'will not affect Kenya's industry'

The Coffee Board of Kenya (CBK) said this week the industry would not be affected by the International Monetary Fund's (IMF) ruling to cancel a huge loan under its soft-lending Enhanced Structural Adjustment Programme. The IMF decision forced the government to tighten belts over fears of long-term damage to the economy.

Musalia Mudavadi, Kenya's finance minister, said he had expected $215 million from the IMF and other donors in this financial year before the IMF halted the loan last Thursday in a row over corruption. But a senior CBK official said the move would not affect the industry as World Bank and European Union support of small farmers would continue.

He said farmers would benefit from a sharp fall in the shilling against the dollar — blamed on investor jitters following the IMF decision — because coffee auctions were denominated in dollar terms.

The official, who declined to be named, said a rise in inflation could affect the prices farmers would need to pay for inputs such as fertiliser and chemicals. The World Bank said this week its support for the coffee sector would not be affected by the IMF decision. — *Reuter, Nairobi*

Angola puts squeeze on Unita

BD 6/8/97

LUANDA — Angola had asked Botswana, Namibia and SA to restrict flights into areas held by opposition former rebel movement Unita, officials said yesterday.

"The Angolan government is talking to the South Africans, the Namibians and Botswana about stopping flights into Unita areas," one western diplomat said

SA embassy officials in Luanda said they were not aware of any Angolan request to SA to restrict flights to Unita zones

Diplomats and officials close to the peace process have said in recent weeks that the country was drifting toward war as the government and Unita positioned troops and arms around the country

Unita and the government fought a two-decade civil war that ended when the sides signed a peace treaty in 1994.

Although the former rebels entered a power-sharing agreement with the government in April, Unita still controls vast areas of the countryside

Last month Unita agreed to a series of United Nations security council proposals including handing over its territory to the government and defining the number of troops it still has under arms

But diplomats and officials said the former rebels were showing little inclination to go along with the proposals

Fuel and arms sanctions are in place against Unita and the security council has threatened sanctions on travel and banking if Unita does not comply.

Most Unita supplies came from the former Zaire before the fall of veteran president Mobutu Sese Seko to Laurent Kabila in May

Now most flights to Unita areas came from SA, diplomats, military officials and pilots said.

"Most of the cargo flights into Bailundo, Andulo and Lusamba are coming from SA these days," one contract pilot said, referring to three important Unita cities in the interior

Officials close to the peace process said the government had indicated in recent days its willingness to give the new sanctions a chance before embarking on a military offensive against Unita

"They have said they are going to wait and give the sanctions a chance," an official said "But they aren't going to wait forever, especially if the sanctions are not working This effort to shut down the flights is meant to squeeze them even more," the official said.
—Reuter

Kenya tea production falls 28%

(163) BD 6/8/97

NAIROBI — Kenya's tea production fell by about 28% in the first six months of 1997 compared to the same period last year on account of bad weather, leading brokerage company Africa Tea Brokers Ltd (ATB) said yesterday

"The cumulative figure for 1997 (January to June) season now stands at 96,73-million kg — a decrease of 37,6-million kg or 27,99% over the previous year," the ATB said

The crop figure for June 1997 was 16,264-million kg, a fall of 1,634-million kg or 9,13% over the same month in 1996, the brokerage company added.

The ATB said that although there were "fairly useful" rains in the Nandi and Kercho districts in the latter part of June, most growing areas remained cold and wet It added that growth was inhibited and picking rounds had been reduced

"With the slightly warmer temperatures, leaf intake will show a gradual improvement except in Sotik and areas east of the Rift (Valley) where crops remain very low," the ATB said

Last year Kenya was the world's leading exporter of black teas That position is widely expected to be reclaimed by Sri Lanka this year Kenya's production in 1996 was a record 257-million kg, according to official statistics —Reuter

Alliance Air

Moi gets ultimatum from reformists

CT 7/8/97 (163)

NAIROBI: Advocates of constitutional reform have given President Daniel arap Moi an ultimatum to accept negotiations or face a general strike, a reformist said yesterday

The ultimatum was handed down late on Tuesday by opposition figures, 22 religious leaders and the executive council of the National Convention Assembly, the umbrella organisation seeking the reforms, assembly official Mr John Munuve said in a telephone interview

In a report yesterday, the independent Daily Nation said the group had given Moi until noon (0900 GMT) today to agree to negotiations, with religious leaders as mediators, otherwise they would go ahead with their call for a nationwide general strike tomorrow

The reformists want the government to suspend preparations for yet-to-be scheduled general elections pending an agreement on reforms and to withdraw draft legislation the government is proposing as reforms

If the 73-year-old Moi, who has been in office for 19 years and is seeking a fifth, five-year term, agrees in writing to the proposal, the reformists will abandon plans for the strike.

Calling the strike is the boldest move yet by the reformists since they began agitating for change four months ago. A general strike would be yet another blow to Kenya's economy — Sapa-AP

Shilling continues slide as Moi faces a general strike

(163) BD 7/8/97

NAIROBI — Kenya's central bank appealed for calm on foreign exchange markets yesterday and intervened to halt the shilling's slide against the dollar as the currency came under new pressure

The shilling dipped to a commercial average of 67 against the dollar compared to 64,25 at Tuesday's close — a decline of 4,28%, commercial dealers said.

The new losses meant that the shilling had depreciated by 12,6% since the news last Friday that the International Monetary Fund (IMF) had halted a three-year enhanced structural adjustment facility to Kenya following a dispute over corruption

Central Bank governor Micah Cheserem urged foreign exchange market players to trade "in an orderly manner so losses arising from the panic and speculative transactions would be minimised"

Commercial dealers said investors had been seriously alarmed by President Daniel arap Moi's comments that Kenyans would have to become self-reliant and that the IMF aid was insignificant compared to Kenya's economy

Adding to Kenya's woes, advocates of constitutional reform have reportedly given Moi an ultimatum to accept negotiations or face a general strike.

The ultimatum was handed down late on Tuesday by opposition figures, 22 religious leaders and the executive council of the National Convention Assembly, the umbrella organisation seeking the reforms, assembly official John Munuve said

In a report yesterday, the independent Daily Nation said the group gave Moi until noon today to agree to talks with religious leaders as mediators, otherwise they would go ahead with their call for a nationwide general strike tomorrow This would include a go-slow by air traffic controllers

Reformists want the government to suspend preparations for yet-to-be scheduled general elections until agreement on reforms, and to withdraw draft legislation.

Munuve said the group would have preferred that Moi should find out about the ultimatum from them, before it appeared in the press — Sapa-AP, Reuter.

Kenya cracks down on aliens

(163)
M+G 8-14/8/97

Strong presence: Since the July demonstrations, Kenyan riot police in the streets are becoming a way of life for the people of Nairobi. Now refugees, who have relied on Kenya as a sanctuary, are being arrested and sent to camps. PHOTOGRAPH: SACHA J

Lucy Hannan in Nairobi

Kenyan police are rounding up hundreds of refugees and foreigners after President Daniel arap Moi announced that "foreign spies and criminals" were masquerading as refugees and inciting the people

Buses carrying 129 Burundian, Rwandan, Sudanese and Somali refugees drove under police escort last week to Kakuma camp, more than 800km from Nairobi. Most had spent almost two weeks in police cells — despite having protection letters from the United Nations High Commissioner for Refugees (UNHCR)

One Burundian refugee who stood by the bus to say goodbye to his arrested wife and children said he was sleeping with about 20 other refugees in a church for protection. "The Kenyan government has a problem in its own country and wants to turn the focus on us," he said.

A police representative Peter Kimanthi, said that about 600 people had been arrested during the last two weeks and were being held at Nairobi, Mombasa and Eldoret police stations

But the number is believed to be much higher People are being screened by the police and immigration department. Some claim to have valid documentation, others admit to expired visas

"These people are a burden to us and we would like to get rid of them as soon as possible," said Kimanthi. Each case would be investigated before a decision was made on what to do, he added

Peter Kessler, a UNHCR representative, said the agency could help about one-third of those in custody

Only those who agreed to go to the camps — where conditions are harsh — are being recognised as "legitimate" refugees by the government and UNHCR. While the agency says it must abide by a government mandate, critics accuse it of complacency

'These people are a burden to us and we would like to get rid of them as soon as possible'

Public pronouncements by Moi act like directives to the loyal police and immigration department who have clouded the operation in secrecy and claim it is being done on orders from "on high"

But a Kenyan lawyer Kathurima M'Inoti described the operation as "totally illegal" Under the law illegal aliens should be charged and taken to court within 24 hours

Overcrowding and unsanitary conditions in the cells led this week to aid agencies sending doctors and protein biscuits to the prisoners

At Pangani police station Kenyan nationals have also been caught up in the swoop, particularly ethnic Somalis It is claimed that friends and relatives must pay bribes to get them released One aid worker described the police swoops as "a shake-down for cash" The police representative strongly denied such 'malicious" allegations.

Some of the Rwandan prisoners are middle-class professionals who were linked to the former Rwandan regime Since 1994, they have relied on Kenya as a sanctuary, with Moi resisting international demands for the extradition of genocide suspects

That changed when Rwanda's Vice-President and Minister of Defence, Major General Paul Kagame visited Moi last month and discussed the issue of fugitives This apparent rapprochement leaves those who claim persecution few places to hide

The Kenyan operation began with a crackdown on Rwandans suspected of involvement in the 1994 genocide On July 18, seven suspects were arrested and handed over to the UN international criminal tribunal in Arusha, Tanzania.

KENYA

More headaches for Moi

(163) FM 8/8/97

President's refusal to tackle graft topples financial dominoes

Kenyan President Daniel arap Moi is caught between a rock and a hard place following the International Monetary Fund's cancellation of a US$205m loan package to the country because of government's failure to tackle corruption

Moi's discomfort is easy to understand, says Kenyan academic Rok Ajulu of Rhodes University if he cracks down on corruption to comply with IMF conditions for continued assistance, he will soon implicate senior figures in his ruling coalition, including vice-president George Saitoti and strongman Nicholas Biwott

If he does nothing, the local currency, which took a knock after the IMF pulled the plug on July 31, will continue to slide The Kenya Shilling stood at 57 to the US dollar before the protests of July 7, and dropped to 61 on August 4

Moi slammed the IMF's move as "purely political and lacking economic sense"

The fund had offered Kenya a $205m, three-year loan under its Enhanced Structural Adjustment Facility pending adequate action being taken against corruption

It was particularly angered by government's handling of the 1992 multimillion dollar Goldenberg International financial scandal But the final straw seems to have been government's refusal to reinstate a diligent Customs commissioner who was sacked for refusing to permit a fraudulent sugar consignment Those implicated in both scandals "are right inside Moi's coalition," says Ajulu

Finance Minister Musalia Mudavadi admitted days before the July 31 deadline, and after government had drafted an anticorruption Bill meant to satisfy IMF concerns that "losing the money would be a big blow to our economic programme and could affect growth" The opposition was sceptical of the antigraft Bill

A day after the IMF acted, a number of foreign investors, who account for between 40% and 50% of bourse business, bailed out of the Nairobi Stock Exchange One trader was quoted as saying "Now that we've lost the IMF package, many foreign investors are suspending their orders or making cancellations If foreigners start selling, that could crush the market" Amarnath Singh

Stability returns to Kenya shilling

ET (BE) 12/8/97

FROM AP-DOW JONES (163)

Nairobi — The Kenyan shilling was stable yesterday following last week's rapid decline against the dollar, but the Central Bank of Kenya feared the warning by the World Bank to reduce its lending could lead to another plunge

The shilling traded at 68,50/69,50 a dollar yesterday morning, the same as Friday's closing, the bank said

"It is stabilising, but we cannot predict the pattern," Charles Musawo, a foreign exchange dealer at the bank, said

Musawo said the latest threat to the shilling's stability might be coming from the warning last week by World Bank officials

The London-based Financial Times reported on Friday that unless Kenya's government tackled high-level corruption, the World Bank was considering "substantially reducing" aid facilities

The warning followed a cut-off in a $220 million three-year soft-interest loan to Kenya by the International Monetary Fund The IMF cited government failure to combat corruption and mismanagement in the energy sector

Kenya was relying on World Bank funding to renovate its dilapidated road network and to modernise its energy sector

The Financial Times quoted World Bank officials as saying that in the circumstances it would be impossible to disburse a $71,6 million structural adjustment credit, due this year but already delayed by Kenya's failure to satisfy conditions dealing with privatisation and energy sector management

The shilling's decline since the IMF decision on July 31 has been rapid, with the currency having fallen by 18 percent on Thursday The fall led to an immediate increase in oil prices and imported consumer goods

WORLD

World Bank's wariness knocks Kenyan shilling

(163) BD 13/8/97

NAIROBI — The Kenyan shilling opened at a record low against the dollar after the World Bank said it had delayed paying part of a loan and would find it hard to hand over the money until Kenya addressed concerns about graft

The shilling was posted at a commercial mean rate of 70,48 to the dollar against Monday's close of 70, representing a 0,69% drop, commercial bank dealers said The previous official low of 70,26 was touched last Thursday after the International Monetary Fund (IMF) cancelled a key aid package following a row with Kenya over corruption. Before the shilling turmoil last week, the Central Bank of Kenya had listed 69,22 as the official low.

"Judging from the new information, we expect to see further shilling weakening," one dealer said. Others said they expected inflows from the coffee sector to cushion the shilling yesterday but that that would be followed by further depreciation because commercial and foreign investor demand for the dollar remained very heavy

On Monday, the shilling fell 1,64% from 68,87 as nervous foreign investors pulled out of the market, no longer certain about the country's economic stability after the IMF halted its three-year $205m package on July 31

Conditions

A World Bank official in Washington, who asked not to be named, said the bank shared the concerns of the IMF, which cancelled the first year of its loan programme complaining that government was not doing enough to stamp out corruption.

"The second tranche of our structural adjustment loan had been suspended because policy conditions (on privatisation) had not been met, but we would find it difficult to release this money until the IMF programme is back on track"

He said the Kenyan government had received a first tranche of the loan last year, but the second one, totalling just more than $71m, had not been paid.

Last week, Finance Minister Musalia Mudavadi said the government was considering talks with the IMF over a second year arrangement for the aid, under the soft-lending enhanced structural adjustment facility, but the IMF said such talks would only take off after the issue of graft was dealt with.

President Daniel arap Moi has said that he will fight graft at all levels of his government and all implicated would be probed But diplomats say the veteran Kenyan leader must stop talking and take some tangible action to be seen to be serious

Kenya's equity and currency markets have also been hit by investor perception of political instability after spurts of violence in Nairobi and other provincial towns since May 31 when an opposition-backed pro-reform group launched a campaign for constitutional reforms before general elections — Reuter.

Kenyan leaders seek dialogue

BD 12/8/97 (163)

NAIROBI — Kenyan leaders have urged political dialogue to end a stalemate after violence rocked the country on the day of a national strike called to press for political reforms

President Daniel arap Moi answered mounting criticism at the weekend by declaring himself a champion of reform and saying he wanted speedy changes

Four people, two of them policemen, were killed when a strike called by the opposition-backed National Convention Executive Council turned violent on Friday

The strike call attracted limited support, but mobs in the capital Nairobi looted shops and set fire to trees in the city centre

Police responded with threats to "deal firmly" with any dissent.

"The opposition must avoid the tag of prone-to-violence, Kanu (the ruling Kenya African National Union party) must give up its old inflexible ways and the national dialogue, whose end result will either make or break Kenya as we know it, must get under way," the Sunday Nation newspaper said

"It is crucial that dialogue, once under way, does not degenerate into a farce and become just one more political circus bandying about Kenyans' most cherished hopes and trampling upon them "

The strike put further pressure on Moi's government, whose reluctance to fight graft led to the cancellation of a key International Monetary Fund (IMF) aid package on July 31 The IMF decision rocked Kenya's equity and foreign currency markets and the shilling fell more than 15% to an official all-time low of 70,26 to the dollar

Moi has pledged to probe and punish all graft and the finance ministry says it will seek further talks with the IMF

Roman Catholic Archbishop Zacchaeus Okoth told reporters "We cannot continue with this kind of hooliganism and violence

"We do not want to see a violent country where anarchy prevails All interested parties must start constitutional talks immediately to steer Kenyans through this difficult period."

The Kanu-owned Sunday Times said in an editorial "Now we can see the fruits of intransigence It is the culmination of chaos and anarchy "

Moi, 73, in power since 1978, has managed to divide the fragile National Convention Executive Council by offering limited constitutional reforms and pledging a full constitutional review after elections

Moi said late on Friday· "These people called for reforms and I accepted They thought that I would not accept, that I am not for change Now I am a champion of change they seek other methods to destroy the country They are bent on anarchy "

Official parliamentary opposition leader Michael Kijana Wamalwa and opposition Ford-Asili party chairman Kenneth Matiba declared their rejection of the strike and other planned "mass actions" Wamalwa said he wanted dialogue with Moi

The National Convention Executive Council denied on Saturday that it was out to cause anarchy and said it would renew its request to the government to engage in dialogue Its key leaders include world-renowned palaeontologist Richard Leakey, opposition legislator Paul Muite and leading lawyers Kivutha Kibwana, Willy Mutunga and Gibson Kamau Kuria

They demand constitutional reforms before presidential and parliamentary polls due by December The election date is yet to be announced.

Attorney-general Amos Wako has published a bill providing for minimal constitutional reforms and another for a commission to carry out a full review of the constitution, expected within days

Muite has rejected the bills as "giving too little too late" He says only a bill drafted jointly by the National Convention Executive Council and Wako would be acceptable.

Kanu held a parliamentary majority and anything the government presented to it would be approved, politicians said — Reuter

Kenyan aid crisis affects neighbours

(163) ET(BR) 13/8/97

Wambui Chege

Nairobi — The halting of an aid package from the International Monetary Fund (IMF) has jolted Kenya's thriving markets but has turned into a mixed blessing for the national currencies in neighbouring Tanzania and Uganda

Currency and equity markets in Kenya, east Africa's economic powerhouse, are still struggling after the July 31 decision to freeze the IMF's $205 million aid package, citing corruption

Yesterday the shilling sank to a record official low to the dollar of 70,48 — a decline of 18,45 percent since July 31

Foreign currency dealers estimate that just over $100 million has left the country since the IMF move, of which 10 percent was pulled out by local investors seeking a safer place to put their money

Some of this went to Tanzania, where the Tanzanian shilling had posted daily gains because of surplus of dollars for sale, financial experts said

But in Uganda, the Ugandan shilling has dropped to its lowest against the dollar this year because of a surge in dollar demand, partly from investors buying dollars to sell in Kenya

Since the IMF decision on Kenya, the Tanzanian shilling had strengthened 0,813 percent against the dollar while the Ugandan shilling had weakened by a total of 1,6 percent, dealers said

A Tanzanian dealer said between $3 million and $4 million was trading daily on the interbank market, an estimated increase of up to $12 million a month from the same period six months ago

Banking sources said unconfirmed estimates of inflows of hard currency from Kenya were up to $12 million a week

The Tanzanian shilling was posted at a commercial mean of 619,7301 to the dollar from 619,8607 on Monday, a 0,02 percent gain The Ugandan shilling was yesterday unchanged at 1092,5 to the dollar

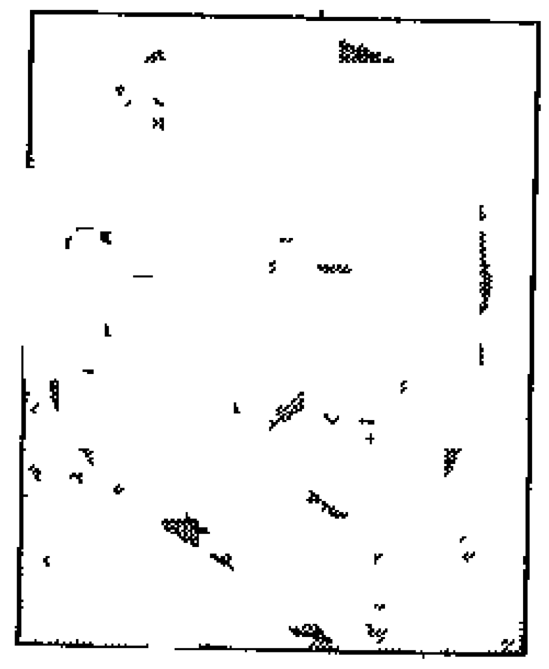
'World Bank shares the concerns of the IMF about corruption in Kenya'

At the heart of the shilling's bruising two weeks is a multi-million dollar scandal involving Kenyan company Goldenberg International, civil servants and businessmen accused by the opposition of being protected because of political links

The shilling's crisis since the IMF decision worsened yesterday after the World Bank said it was contemplating withholding further aid to Kenya until the country tackled graft

A World Bank official said on Monday the bank delayed paying part of a loan to Kenya and would find it hard to hand over money until the government dealt with corruption The official, who asked not to be named, said the bank shared the concerns of the IMF about corruption — Reuter

Daniel arap Moi



Kenya's Moi: the next 'Mobutu'?

Star 15/8/97 (163)

Cornered Kenya leader's chances of survival look numbered, reports Joe Khamisi in Dar es Salaam

With his political fortunes rapidly plummeting, President Daniel arap Moi is looking increasingly like Mobutu Sese Seko did during the early days of the Zairian crisis late last year

Cornered by a recalcitrant opposition, cautiously shunned by the international community and dangerously compromised by a small clique of sycophantic loyalists, Moi's firebrand days appear to be fast fading into oblivion

The former primary school teacher has been in politics more than any other Kenyan – 42 years He is the oldest parliamentarian, was vice-president under Jomo Kenyatta for the longest period of 12 years and has ruled Kenya for a record two decades He is now looking forward to his fifth term of five years in elections expected later in the year

But with the opposition slogan "no reforms, no elections" reaching new heights, even those polls now look uncertain When in 1992 Moi, under intense pressure from the opposition, agreed to abolish the one-party rule which had existed for more than two decades, he was in a way beginning a process of self-destruction that now appears to be ominously near completion

Though grossly divided, opposition parties enjoy a loose alliance with religious and human rights groups that make the president's political life painfully unbearable and, in recent months, the country virtually ungovernable Even the Kenyan leader's abrasive tendency to apply police force to calm down escalating public agitation has not dampened the opposition's resolve to press for comprehensive constitutional changes before elections If anything, the killing on July 7 of 13 demonstrators and Moi's stubborn refusal to accept changes, have fuelled a nascent movement into a formidable political force too bold to be cowed, even by the power of the gun

This was evident on August 8 when a large wave of pre-reform demonstrators roamed the city at will, destroying and looting property, unafraid of armed security units on patrol The fact that police and para-military forces initially stood unmoved, as the destruction progressed, point to a strange twist in this political saga

The question being asked is whether or not the government has the moral authority to govern and maintain law and order But as Moi's principal economic backers, namely Britain, the United States and Germany keep their distance, donors like the World Bank and IMF openly condemn his policies, and the reality is that the once-darling of the West has now degenerated into an international villain

Added to his political problems are economic woes that appear to worsen daily The economy, beginning to recover last year, was dealt a blow on August 1 when the IMF announced the suspension of a key aid package that would have supported the budget and propped up the reforms exercise

Analysts are expressing concern over capital flight which is seen to be partly responsible for the decline of the shilling in the past two weeks Investors, uncertain about the immediate direction of the East African country, are decamping in hordes And tourists, backbone of the nation's foreign exchange reserves, are staying away

At home, insecurity has intensified Nairobi is no longer the safe "city in the sun" it was a decade ago As soon as darkness descends, only prostitutes and their daring customers and street urchins burning bonfires at street corners, remain Dwindling visitors remain closeted in their hotels and residents now barricade themselves behind grilles and burglar bars in their homes

The once-revered Moi, popularly referred to as *Mtukufu* (the exalted one) is now publicly ridiculed and called "Moibutu" by pro-reformists, likening him to the former Zairian dictator

Moi insists Kenya and Zaire have nothing in common and the two cannot be compared But others think differently Like Mobutu, Moi is said to be extremely wealthy although he continues to deny speculation that he too has millions stashed in a myriad of secret overseas bank accounts

More seriously, many think Moi, in his advanced age, may be abdicating his responsibilities to a small but powerful clique of diehard allies within his Kalenjin tribe Along with Moi's immediate family, these associates are said to have benefited immensely from the status quo They, therefore, have a morbid fear of reprisals should Moi exit the scene – Star Foreign Service

Police and troops battle armed youths in Kenya

ARG 15/8/97 (163)

Ukunda, Kenya - Kenyan police and the elite paramilitary General Service Unit (GSU) battled armed youths south of the port city of Mombasa today, after at least 13 people were killed during a raid, witnesses said.

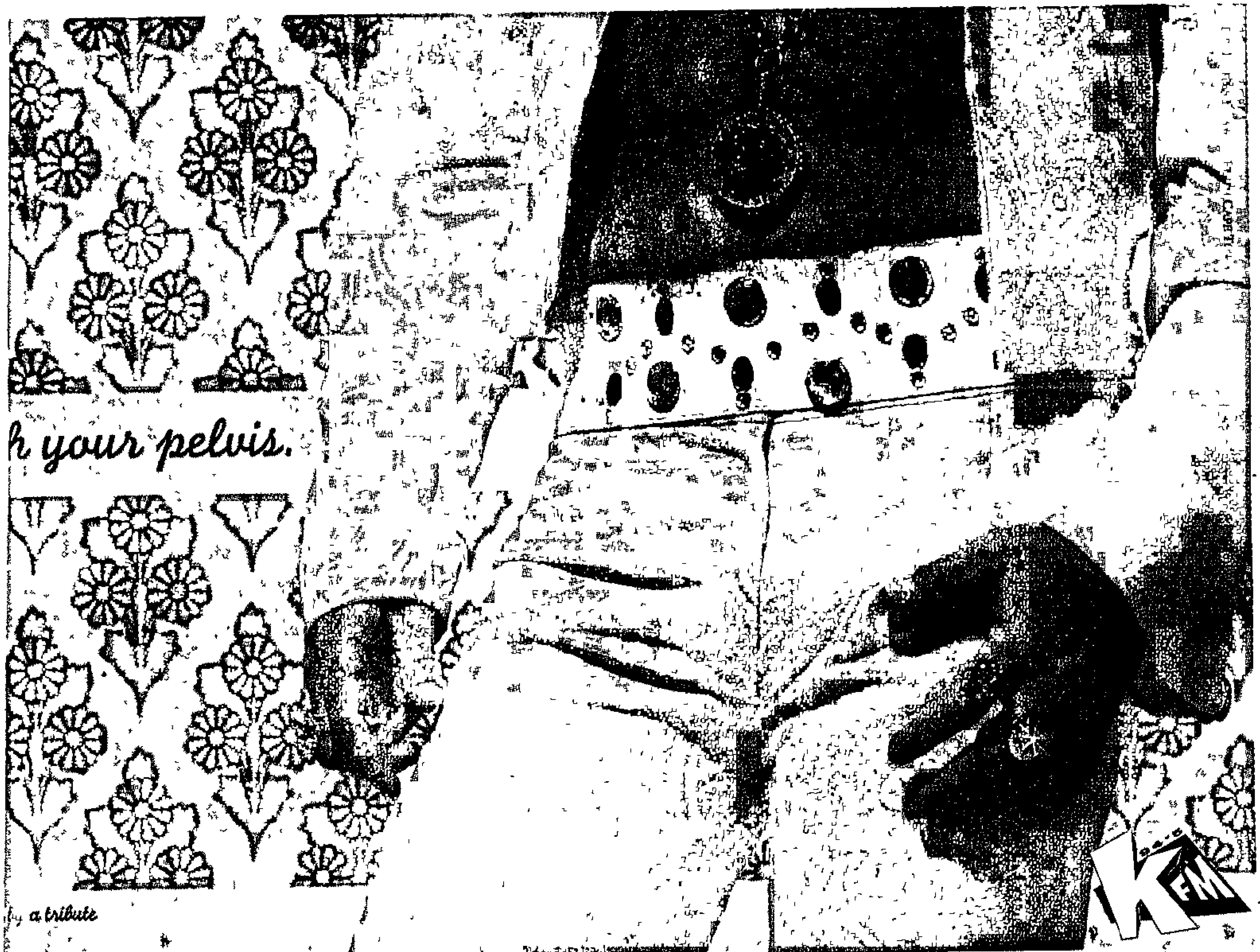
"GSU and regular police are fighting youths in Ngombeni," a witness said at Ukunda, on Kenya's lush south coast.

Police reinforcements and troops were being sent in, security officials said.

The fighting in Ngombeni, 10km south of Mombasa, cut off the main road to Tanzania and all vehicles were being turned back.

Police today began flushing out suspects in the raid on two police stations and villagers in Mombasa on Wednesday, in which the 13 - including six police - died.

Witnesses said people were fleeing the Likoni area today, and that police were holding youths suspected of having used guns stolen from the police - Reuter



Kenyan police clash with armed youths

ARG 16/8/97

(163)

Massive hunt launched

Ukunda, Kenya – Police and the crack General Service Unit (GSU) have clashed with armed youths south of Kenya's Indian Ocean city of Mombasa two days after six policemen were killed by unknown attackers.

"GSU and regular police are battling youths in Ngombeni," a witness said yesterday at Ukunda on Kenya's lush south coast, a haven for foreign tourists. Ngombeni is 10 kilometres from Mombasa

Police reinforcements and the army were being sent to the area, witnesses and security officials said. The fighting cut the main road to Tanzania and all vehicles were turned back

"A search operation is on in Ngombeni, we are waiting for information," a police spokesman said

Fighting began as police hunted dozens of attackers who burned down two police stations at Likoni in Mombasa on Wednesday night, killing 13 people, including six policemen

The well-organised assailants stole police weapons, released prisoners and picked on ordinary civilians

Witnesses said people were fleeing the Likoni area yesterday and police and the GSU had found some 15 youths, some with gunshot wounds, while combing adjacent areas Some of the youths were armed with guns suspected to be stolen from police.

Residents in Mombasa said police, army, navy and general service paramilitary units had launched a huge operation to hunt down the killers

They said the operation, involving hundreds of men, was led by intelligence officers flown in from the capital Nairobi

Kenyan newspapers reflected confusion among officials and witnesses over the precise identity of the attackers, who were described as well-organised "gangsters" on a night-long rampage

The assailants burned down a tourist police office and a police station, releasing scores of prisoners and stealing 30 firearms and thousands of rounds of ammunition in the surprise onslaught, which jolted Kenya's security chiefs.

The attack was launched at a time of high political tension in Kenya ahead of a general election later this year

In an editorial headlined "What's behind this dastardly attack?", the independent Daily Nation newspaper ruled out common criminals and said the main objective was probably to seize arms and deliver the message that they would kill

It said the Likoni raid was the trickiest security challenge for Kenya since ethnic clashes in the Rift Valley in 1992

The attack began about 8 30pm when the tourist police post at Likoni was hit The post is at the landing point of the ferry from Mombasa Island, separated from Likoni by a narrow sea channel

Minister of State in the Presidency Jackson Kalweo vowed fast action against the dozens of machete wielding attackers

Some witnesses said the attackers were local people taking reprisals against Likoni police for alleged brutality – Reuter

KENYAN ARMY DEPLOYED AGAIN

Killings, arson as violence renewed in Mombasa

(163) CT 18/8/97

MOMBASA, Kenya: Police consider the violence, in which 31 people have died, mere thuggery, but locals believe there is a campaign against migrants from inland.

ARSONISTS razed about 100 roadside kiosks and dozens of houses around Mombasa yesterday after five Kenyans were killed and many hurt overnight by unidentified attackers

The government, which had withdrawn soldiers a day earlier, sent in the army to help police and paramilitary units

According to police, 31 people had been killed in the fighting, which erupted on Wednesday with an attack on a police station

Coast province Police Chief Francis Gichuki said up to 69 people had been arrested and were to appear in court today.

"We are treating this as thuggery and do not see a political motive," Gichuki said "The situation is fluid, but under control"

Gichuki said two local administrative policemen were missing, but he did not give details

Several thousand foreign tourists on the coast north and south of Mombasa have been advised to stay in their hotels However, no visitors have been caught up in the violence

Officials have not identified a motive, but local residents say most of those killed were from beyond the coastal region

They pointed to leaflets, handwritten in Swahili, that had been distributed in the region

"The time has come for us original inhabitants of the coast to claim what is rightly ours," the pamphlets said "We must remove these invaders from our land"

Opposition member of parliament Mr Rashid Mzee said he suspected the ruling Kenya African National Union (Kanu) party was behind the chaos He believed it was designed to forestall a campaign for constitutional reforms and delay elections due this year

There was no immediate comment from Kanu

Mzee said police had also arrested several opposition activists, Muslim leaders and human rights officials in Mombasa

Reuters reporter Edmund Kwena said a petrol station had been attacked and a bowser set on fire He had also seen scores of buildings being torched yesterday

"I counted up to 100 kiosks burned down," he said "Dozens of houses were also set on fire in the Diani area, a popular tourist area south of Mombasa"

The owner of the petrol station, Mr Jind Ali Khan, said the arsonists had burned down all the artisans' sheds nearby

The roadside kiosks mostly sell clothing, fresh fruit and vegetables and handicrafts.

Truckloads of troops were deployed in the area and senior army officers arrived by helicopter

A man was shot by police and his body burned by angry villagers at Bombolulu, north of Mombasa, yesterday The shooting took place after survivors of overnight attacks in the neighbouring slum area of Shauri Yako accused Bombolulu residents of being responsible for the violence

Residents said dozens of houses in the Maweni and Kongowea areas north of Mombasa were burned down yesterday

In Shauri Yako, bodies of the dead lay where they had fallen

The wife of one victim said her husband had been slashed to death when he called for help He had apparently recognised his attackers

In an apparently unrelated incident, four people were killed in an explosion at a nightclub in Muranga, 60km north of Nairobi, on Saturday night Officials said they had not established the cause of the blast — Reuter

HAWKER VICTIM: Kenyan hawkers carry the body of a colleague through the streets of Nairobi at the weekend Street vendor Timothy Thuo died on Thursday when hawkers clashed with city council officers during a demonstration against a ban on hawkers

PICTURE: AP

Slasher killings take Mombasa toll to 33

ARG 18/8/97 (163)

Mombasa – Attackers slashed two Kenyans to death with machetes overnight in a poor district of the port city of Mombasa, witnesses said today.

They said one of those killed was a priest and the other a member of a vigilante group. The killings took the toll in violence on Kenya's coast since last Wednesday to at least 33 dead.

The witnesses said the two were attacked and killed in the Mishi-moroni district.

Coast police chief Francis Gichuki dismissed the incidents as "pure thuggery" Police said last night had been the quietest since a raid on police posts last Wednesday.

In the Diani beach area, a tourist haven south of Mombasa, witnesses said today a timber workshop and a kiosk selling groceries had been set ablaze overnight, but there were no reported casualties.

Meanwhile, a dozen suspects from five days of mayhem in Mombasa were to appear in court today

"We are still talking to the main suspects," police spokesman Peter Kimanthi said.

President Daniel arap Moi has blamed the violencce on opposition leaders fanning tribal-hatred ahead of elections this year Opposition leaders in turn accuse Mr Moi's ruling party of orchestrating attacks – Reuter

Asians are packing to leave as Kenya's politics turn hostile

(163) BD 18/8/97

Asians, who are a mainstay of the Kenyan economy, are displaying a distinct lack of confidence in the future of the country, writes **Louise Tunbridge** in Nairobi

Supporters of President Daniel Arap Moi march in Nairobi recently to show their backing for his re-election

Picture AP

ECONOMIC recession and political turmoil ahead of elections in Kenya this year are forcing an exodus of Asians, who control major sectors of the country's business and industry

The 80 000-strong Asian minority owns most of Kenya's manufacturing firms and most distribution and retail businesses in the capital and other large towns But the economy has been hit hard by an aid freeze by the International Monetary Fund (IMF) and World Bank The community has also been targeted in a wave of political violence stemming from a campaign for constitutional reform

"People are really very, very scared and there is a flight of money out of the country," said Sudhi Vidyarthi, an Asian running a printing firm in Nairobi "A lot of people are leaving, both Asians and expatriates There is a general feeling that the political transition here is not going to be peaceful "

The British High Commission in Nairobi notes a significant increase in the numbers of Asians applying for British passports and visas About 37 000 Asians living in Kenya retain the right of abode in Britain, the former colonial power Others are heading for neighbouring Uganda and Tanzania, where the political outlook is deemed more stable

Travel agents say flights out of Kenya are heavily booked until the end of the year Most reservations are in Asian names Many families have already sent their relatives abroad fearing a further deterioration in security

"The Asian community's view right now is let's have one leg out of the country where they have a certain lack of confidence They're sending their children and wives away so they feel safe," said an Asian importer, who asked not to be named

Asian shopkeepers were singled out by mobs who rampaged through Nairobi city centre on a looting spree after proreformist protests on July 7 and August 8 Many had earlier received leaflets warning them to close their shops or have them burnt down

Highly visible because of their wealth and concentration in urban centres, Kenya's Asians have traditionally been the focus of animosity from poorer Africans, who view them as rich, racist and corrupt

Hostile feelings have recently been whipped up by a number of politicians Kenneth Matiba, chairman of the opposition Ford-Asili party, accused Asians of being behind most of the corruption scandals He warned them to leave or "face the consequences"

Indeed, Asians have figured prominently in the country's most notorious corruption scandals Kamlesh Pattni, chairman of Goldenberg International trading company, was charged with three former government officials over the theft of millions of dollars from the treasury between 1991 and 1993

Asian business tycoon Ketan Somaia has persistently failed to obey summonses from the parliamentary public accounts committee to answer questions about shady government contracts worth millions

Widely publicised corruption affairs have given a bad name to the Asian community, despite the fact that law-abiding Asians provide the major part of investment in Kenya

"Both politically and economically we're going through a hell of a time and it's hurting us all," said Manu Chandaria, chairman of the Kenya Association of Manufacturers, whose 600 members are nearly all Asians

Since the IMF's decision at the end of June to freeze a $205m aid package because of continuing high level corruption by government officials, the shilling has fallen to an all-time low against the American dollar. Foreign and local investors rushed to sell back government treasury bonds and ditched shares in Kenyan firms listed on the Nairobi Stock Exchange.

This week, the World Bank followed the IMF's lead and suspended payment of a $71m loan for the badly needed modernisation of the energy sector. As a result, investor confidence plummeted even lower.

Industrialists like Chandaria, who manufactures steel roofing sheets and aluminium products, are struggling to pay for imported raw materials with a greatly depreciated shilling. Consumer prices have already gone up. He forecasts that firms unable to meet their financial commitments will start to go under within two or three months

Analysts say black market transactions in Nairobi have increased, while many Asian businessmen are buying up dollars in Uganda because of a shortage in Kenya Exchange controls have been lifted under Kenya's liberalisation programme, making it possible now to leave the country taking your money with you

President Daniel arap Moi said last week that he would soon announce a date for elections Meanwhile, the organisers of the recent pro-reform rallies say they will suspend their action to allow an opportunity for dialogue with the government, mediated by church leaders,

Leading Asian businessmen, Chandaria among them, have written to the president urging him to move quickly to resolve the political impasse and to reopen discussions with the IMF and World Bank They also asked the government to take steps to curb growing insecurity

Before independence in 1963, Kenya's Asian community numbered more than 190 000 Many left then, and more left after a coup attempt in 1982 when Asian shops and homes were targeted in a wave of looting

"There is a lot of uncertainty. People are thinking of what they will do if the worst comes to the worst," said Chandaria "I think the Asians are here to stay, but not all of them "

Kenyan violence spreads to coast

BD 19/8/97 (163)

NAIROBI — A mysterious eruption of killings on Kenya's tourist coast is the latest blow to a troubled country beset by bad politics

Kenya is repeatedly making news for all the wrong reasons — political violence, unpunished corruption, a battered currency and now mayhem on the normally sleepy coast near Mombasa

"We have had two months of stark and shocking headlines around the world," a senior western diplomat in Nairobi said "Anything which threatens the tourist industry is obviously going to be bad news for Kenya's foreign exchange earnings "

The stormy backdrop is the election that President Daniel arap Moi must call by the end of the year

After 19 years in the presidency the 73-year-old Moi wants another and legally final five-year term

Moi won with less than 40% of the votes in 1992 when, against his will, Kenya staged its first multiparty polls

In the absence of reliable opinion polls, pundits can only speculate on whether Moi and his ruling Kenya African National Union (Kanu) are any more popular today

What is undeniable is that the country of nearly 30-million people is in poor political health and the fallout threatens to derail economic reforms

The shilling hit a new low against the dollar yesterday It has dropped nearly 20% since the International Monetary Fund toughened its stand on official corruption and shelved a $205m loan

The World Bank partially followed suit and many foreign investors have withdrawn their money

More than a dozen people have died in political violence since early last month Parts of the divided opposition are threatening civil disturbance unless political reforms are agreed to before the elections, the date of which Moi has not announced. Kenyan newspapers are reporting on the growth of private political militias

Nairobi's mayor, Dick Waweru, was beaten last week by his own council's security guards when they broke up a gathering of unemployed street hawkers, killing one

Kenyans were stunned when the malaise spread to the Indian Ocean coast, usually portrayed as a friendly haven where European tourists flock by the hundreds of thousands

More than 35 people, including seven police officers, have been shot or chopped to death since August 13 Despite a vast security operation, police and the government have failed to explain the violence by organised groups

Some of the victims were apparently targets because they were settlers from outside the coastal region

The German foreign ministry yesterday warned several thousand German tourists on holiday in Kenya to stay in their hotels and take precautions as a result of the violence

So far no tourist has been killed or hurt and there are no significant cancellations But some tourists have transferred to hotels further from trouble spots

Moi's suggestion that opposition supporters were to blame in Mombasa seemed designed to advance his long-held view that multiparty politics is wrong for Africa because it deepens tribal enmities

However, in opposition ranks, Kanu was accused of stirring up hatred in Mombasa with the elections and reform calls in mind

"I think it has been orchestrated to look like an ethnic thing but this was well planned," said a Nairobi printer

Western diplomats were mulling the evidence "There are so many tensions on the coast between local people and newcomers, with land grabbers, you name it," said one diplomat

"But someone has decided to play with that tinderbox " — Reuter

A Cambodian refugee plays near a makeshift bomb shelter in O'Smach, Cambodia, where the estimated 20 000 civilians and soldiers are under threat of attack from forces loyal to strongman Hun Sen

Picture AP

Finger pointing as 'political thuggery' hits Kenya

Star 20/8/97 (163)

Mombasa – Kenya's government and opposition are blaming each other for violence on the Indian Ocean coast that has left 37 dead ahead of a general election this year

One senior legal expert, while agreeing that politics underpinned the violence, said police treatment of suspects would provide clues to which side was responsible

"It is pure political thuggery and if it is allowed to go on it will bring down Mombasa which is very much tourist-centred," said Gikandi Ngubumi, a Mombasa lawyer and the chairman of the Law Society of Kenya Coast

Seven days of violence on the coast, centre of Kenya's top foreign currency earner tourism, have shaken the country where President Daniel arap Moi (73), in dictatorial power since 1978, faces elections later this year

No date has been set for the elections, which threaten to bring more violence

The violence, which has further tarnished Kenya's international image, comes hard on the heels of protests by an opposition-backed group pressing for constitutional reform that have left at least 12 dead after clashes with police

An estimated 375 curio stalls were burned at Malindi, north of Mombasa yesterday in the first attack on a tourist site

No tourists have been hurt but foreigners have been told by their governments to avoid troublespots and the United States has warned Americans against going to the coast.

Moi, speaking in Nairobi, said the country had been "pushed to the wall" and blamed the opposition for creating the chaos – Reuters

AID *As the 'International Mothers and Fathers' suspend their loan, investors offload record numbers of bonds*

Kenya's capital-hungry markets feel the pinch

CT (BR) 20/8/97 (163)

MATTHEW GREEN

Nairobi — Kenyan businessmen are experiencing an unpleasant sense of deja vu — for the second time they have been cold-shouldered by the International Monetary Fund (IMF), and this time it hurts even more

"Any of the good work done in the past three years has basically been dashed," said businessman Robert Shaw, describing the impact of the IMF's decision to suspend a key aid package to Kenya

On July 31 the IMF suspended any further drawings on a $205 million three-year loan facility, saying it was dissatisfied with measures taken by the Kenyan government to tackle corruption

Now termed "Black Friday" by stock exchange dealers, August 1 was the second nasty surprise the IMF has given businessmen

The IMF also suspended aid in 1991, spearheading donor pressure to force President Daniel arap Moi to introduce a multiparty system and liberalise the economy

Many businesses say the latest aid cancellation is having a more devastating effect precisely because of the earlier reforms it insisted were introduced.

"I can't say the Kenyan economy is as robust in the 1990s after liberalisation," said John Munge, the managing director of Shah Munge, a leading Nairobi brokerage house

"In 1990 we were in-house The market is not as resilient as it was when it was a closed economy," added Munge

As Kenya has become increasingly plugged into the global economy foreign investors have played a crucial role in feeding Kenya's capital-hungry markets But businessmen see foreign money as a double-edged sword

"We are at the mercy of speculators," said Kassim Owango, the chairman of the Kenya Chamber of Commerce and Industry The Kenya shilling has dropped by nearly 20 percent since the IMF decision, to its lowest rate since 1993, as foreign investors withdraw funds "There's a feeling we've gone too far, too quickly," Owango added

Illustrating the extent of the dependency, the governor of the Central Bank of Kenya, Micah Cheserem, has issued a statement pleading for foreign investors to retain faith in their Kenyan investments.

His appeals have been ignored by offshore investors offloading record numbers of bonds and selling shares in Kenyan companies at bargain basement prices

The capital flight has fuelled pressure on the shilling, threatening to hobble the fledgling manufacturing sector "Our high level of petroleum imports affects all our sectors," said Owango

Mocked by a Kenyan newspaper columnist as "Our International Mothers and Fathers", the IMF has adopted a policy of "Spare the rod and spoil the child" in Kenya

The World Bank has also increased pressure on Moi It has re-emphasised its demand that the government tackles graft before it gets the next $71,6 million slice of aid

"There's a commitment to preserve economic stability — monetary, fiscal stability — and contain the deficit that was not there in 1992," said Harold Wackman, the World Bank's country director in Kenya.

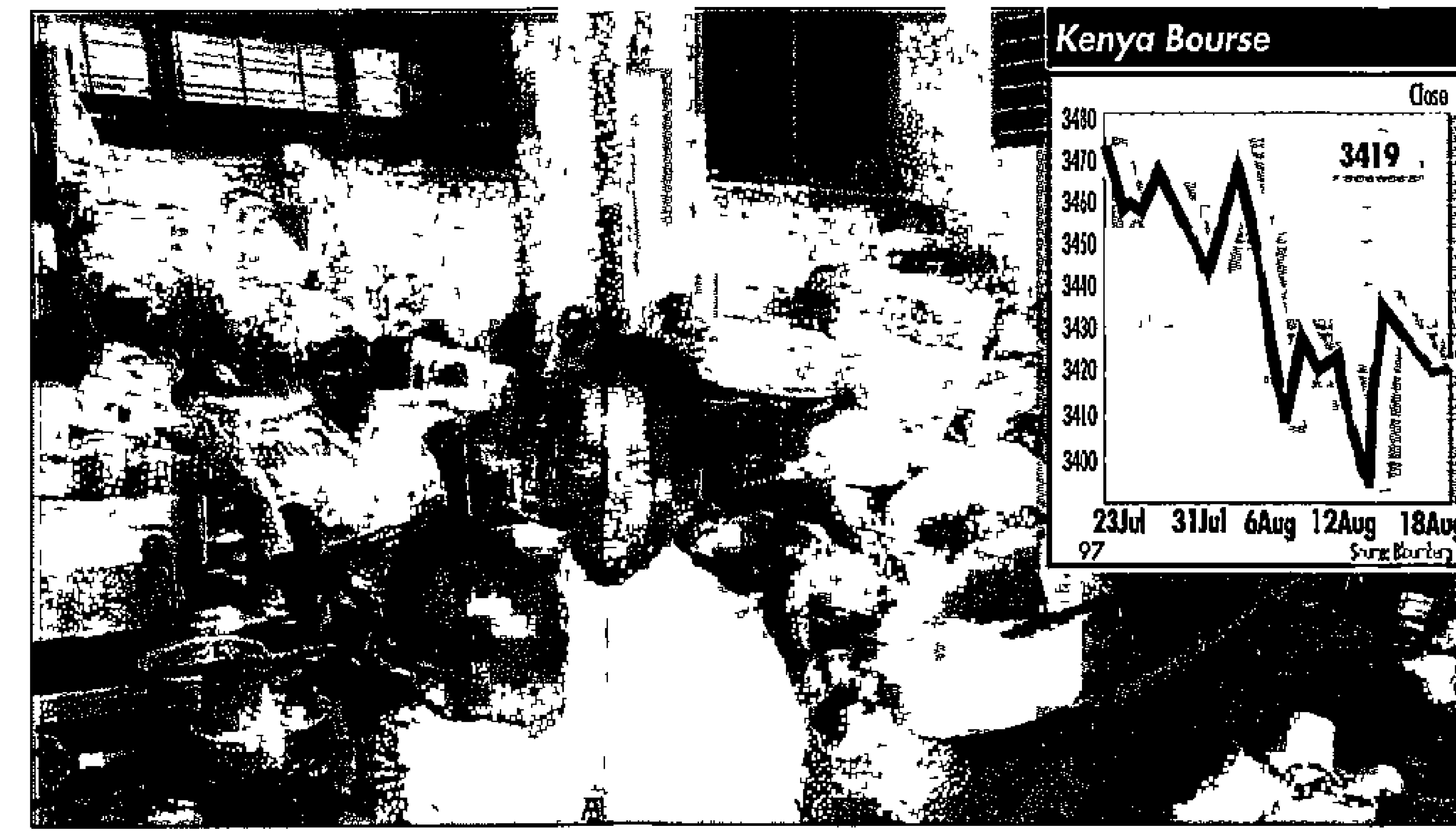
But he cautioned that with elections due before the end of the year budgetary pressures would rise as foreign investment dwindled and the shilling weakened further

The IMF's decision took the business community by surprise But not everybody is wringing their hands

"As far as we're concerned, there's no instability, since we sell coffee in dollars," said an official at the Coffee Board of Kenya, reflecting the attitude of many exporters

There is even suspicion among commercial bank dealers that the central bank is happy to see the shilling weaken, because it will boost export earnings and make Kenya more attractive to tourists

"Kenya can survive without the IMF, although times were hard For those three years the Kenyan government did survive, investors were coming into the economy," said a currency dealer at the central bank — Reuter



HOMELESS *Claire Ochieng holds her brother as she sits, surrounded by the personal belongings of refugees, in a room of a church in Likoni, south of Mombasa Over 3 000 people found shelter here after raiders burnt houses and killed more than 30 people in the area last week. It is these people who may feel the effect of the suspension of IMF aid most acutely* PHOTO AP

Violence in Kenya hits tourist centre

BD 20/8/97 (163)

MALINDI — Two people were killed on Kenya's coast early yesterday and fire destroyed more than 300 curio stalls in a resort as a week of violence hit a tourist site for the first time

The destruction of the stalls was also the first time unrest reached as far as Malindi, 120km north of Mombasa, the centre of attacks and violence in which at least 37 people have been killed since last Wednesday

On the Malindi beachfront, stallholders wept as they sifted through the charred remains of about 375 stalls, salvaging some blackened trinkets

"Someone saw people come with a jerrycan of petrol which they sprayed on the kiosks before lighting them," stall holder David Kenyakenga said

"This was the start of the high season and what we make now helps us through the hard times later," said Joyce Atima, picking up stone chess pieces from what was left of her stall

Residents said the blaze began at about midnight but no one was hurt They said that the site was owned by the town council, which wanted the stall owners to move so it could be sold to a developer

Most civilian casualties since last Wednesday were Kenyans from outside the Indian Ocean coastal region Handwritten pamphlets have called for them to be driven out by natives

Hassan Haji, deputy commissioner of the coast province, said police believed the arson was "a criminal act" by people taking advantage of the violence around Mombasa

No tourists have been injured in the unrest, but foreigners have been told to avoid trouble spots

In Mombasa, Haji said 150 people armed with bows and arrows and G-3 and AK-47 assault rifles attacked a seven-man police patrol in Mtwapa just north of Mombasa early yesterday. In an exchange of fire police shot dead one person

He said vigilantes killed a man in Kitarum when he tried to torch a house Five people were slashed with machetes when thugs burned three homes and attacked residents.

In the capital Nairobi, President Daniel arap Moi warned Kenyans yesterday against tribalism, saying the country had been "pushed to the wall" but Kenyans knew it was unlike Rwanda and Burundi, which were destroyed by ethnic hatred

Moi's government and the opposition, heading for elections later this year which threaten to bring more trouble, have blamed each other for the string of brutal attacks on the coast

Haji said anything that threatened tourism was a threat to most Kenyans The industry is the country's top employer and foreign currency earner, bringing in $465m last year Meanwhile, tourist officials said cancellations were picking up — Reuter

Kenyan violence strikes tourist site

CT 20/8/97 (163)

MALINDI, Kenya: Two people were killed on Kenya's coast early yesterday and fire destroyed more than 300 curio stalls in a resort as a week of violence hit a tourist site for the first time

The destruction of the stalls was also the first time unrest reached as far as Malindi, 120km north of Mombasa city, the centre of attacks and violence in which at least 37 people have been killed since last Wednesday

On the Malindi beachfront, stall-holders from tribal areas deep in Kenya wept as they sifted through the charred remains of an estimated 375 stalls, salvaging some blackened trinkets

"Someone saw people come with a jerrycan of petrol which they sprayed on the kiosks before setting them alight," stall-holder Mr David Kenyakenga said "We had not received any direct threats here."

"This was the start of the high season and what we make now helps us through the hard times later," said Ms Joyce Atima, picking up stone chess pieces from what was left of her stall

"I am going back to my land in Kisii (in western Kenya) I have no other choice," she said before bursting into tears.

Residents said the blaze began about midnight, but no one was hurt They said the site was owned by the town council, which wanted the stall-owners to move so it could be sold to a developer

Most civilian casualties since last Wednesday were Kenyans from outside the Indian Ocean coastal region. Handwritten pamphlets have called for them to be driven out by natives

Mr Hassan Haji, deputy commissioner of the coastal province, said police believed the arson was "a criminal act" by people taking advantage of the violence in Mombasa

No tourists have been injured in the unrest, but foreigners have been warned by their governments to avoid troublespots

In Mombasa, Haji said, 150 people armed with bows and arrows and G-3 and AK-47 assault rifles attacked a seven-man police patrol in Mtwapa just north of the Indian Ocean port city early yesterday In an exchange of fire, police shot one person dead.

Haji also said that early yesterday vigilantes killed a man in Kitaruni, 9km north of Mombasa, when he tried to set fire to a house — Reuter

Fears that Kenyan chaos may spread

(163) Star 21/8/97

Orgy of killing, looting and arson as Moi continues to reject constitutional reform

By Joe Khamisi
Star Foreign Service, Nairobi

The next few months preceding the general election in Kenya will determine whether or not President Daniel Arap Moi's government survives

During the past week tourists along the Diani beaches have been stranded and unable to leave hotel grounds after an orgy of killing and violence.

Thousands of people are fleeing the trouble spots, leaving some localities looking like ghost towns

Political observers fear the killings and arson around the coastal holiday resorts could be the beginning of widespread chaos

Presidential and parliamentary polls must be held before December 31 Since May 31, 56 people have been killed in political and tribal violence that has rocked the capital Nairobi and the country's second largest town Mombasa as Moi continues to dismiss opposition demands for constitutional changes

On August 13, a gang of 500 stormed the southern suburbs of Mombasa at night, killed six policemen, burnt their offices and took 50 guns and 5 000 rounds of ammunition

In the days that followed, more policemen and civilians were murdered

Moi had to call in a combined force from the army, the navy, a special para-military General Service Unit and regular police to track down the attackers.

Similar attacks were reported in the northern suburbs where many people lost their lives and property and business premises were burnt down. Dozens of suspects, including some politicians, have been arrested.

Initially, the government treated the violence as acts of criminal thuggery, but with leaflets circulating in the town from a hitherto unknown local political group calling for war against non-indigenous ethnic groups, the situation has increasingly taken on a political bias

Compared with the rest of the people, the miji-kenda tribes of the Kenya coast appear to have suffered most in the wave of land scandals that started during the rule of Jomo Kenyatta.

Over the years, the indigenous tribes have lost large tracts of prime beach and agricultural land to politically-connected individuals, leaving the majority of them squatters

The current wave of hatred against up-country people, mainly Kikuyus and Moi's Kalenjins is, therefore, seen as a manifestation of years of social neglect in the region

A movement for some form of autonomy is gaining ground at the coast Sixty percent of an estimated 700 000 tourists holiday along the coast yet indigenous people see little of the vast income which accrues from the trade

But some opposition leaders say the violence was perpetrated by the government to deflate the current clamour for constitutional changes

Moi instead accuses the opposition of fanning tribal hatred

The constitutional reform talks between the government and pro-reformists are due to be launched on August 20 The exercise is facilitated by a broad-based group of religious leaders

Pro-reformists want constitutional changes before the elections

Until now, Moi has insisted that reforms could only be carried after the polls

CORINNE DUFKA / REUTERS

Innocent victim ... a woman sifts through the remains of her curio shop, one of about 375 such kiosks which were burnt by arsonists in the popular resort of Malindi, 117km north of Mombasa.

Tourist cancellations rise after violence in Kenya

(163)

BD 21/8/97

MOMBASA — Tourist cancellations because of violence on Kenya's Indian Ocean coast picked up yesterday and the tourist industry said it faced a disaster unless confidence was restored.

Auni Kanji of Abercrombie & Kent said the ship MV Symphony from SA cancelled a one-day excursion to Mombasa yesterday and headed for the Tanzanian island of Zanzibar

Kanji said a charter plane from Italy on Monday landed at Mombasa airport with 98 tourists instead of an expected 220.

A representative with Neckermann of Germany said it had received 60 cancellations, and Germany's Tourist Union International said it expected 50 cancellations this week

In a letter to Kenya's minister in charge of internal security, Kenya Tourist Board Chairman Peter Mbogua said "Unless we can restore the confidence of the international travel industry the consequences will be disastrous "

"For instance 12 charters per week to Mombasa are likely to be cancelled We are already informed that one charter series from Italy has been cancelled. With this kind of cancellation level, 150 000 jobs are at risk plus $365m in foreign exchange earnings," the letter said

Tourists who flock to the glorious beaches and busy night life have not been targeted and none have been hurt, but arsonists on Tuesday destroyed about 375 curio stalls in the resort town of Malindi, 120km north of Mombasa

Extreme acts of violence, including mutilations and the murders of at least nine police officers, were committed within sight of holiday havens, which are Kenya's top foreign currency earner.

Germany, Belgium, Italy and Britain have told tourists to be careful and avoid trouble spots The US has told Americans to avoid the coast region, including Mombasa

The tourism industry earned $465m last year and is Kenya's top employer About 60% of last year's 770 000 tourists — itself a declining figure — headed for the beaches south and north of Mombasa.

Officials at a Mombasa news conference put on a brave face, saying "unfortunate incidents" which seemed to have a tribal undertone had led to wide news coverage and "uncertainties" in the main tourism source markets

"We believe tourists are safe to travel to Kenya and also at the coast," said the chairman of the Mombasa and Coast Tourism Association, the heads of the coast branches of the Kenya Association of Tour Operators coast branch heads and Kenya Association of Hotel Keepers and Caterers

"The assessment of the tourism industry is that the attacks are not tourist related," they said "The police have assured us that the situation is under control based on a beef-up of security forces and arrests made." They said the industry had set up a 24-hour network linked to police to activate an emergency system

But they asked the government to issue a statement urgently on what was happening. Police blame thugs and criminals, while President Daniel arap Moi's government has blamed the opposition

Police spokesman Peter Kimanthi said yesterday 309 people had been arrested since violence started a week ago with a raid by attackers on police posts south of Mombasa About 42 have been charged in court — Reuter

Tourists in Kenya keep to hotels as violence spreads

CT 21/8/97

(163)

MALINDI: Frightened tourists were keeping to their luxury hotels yesterday in this Kenyan coastal resort after vigilante groups patrolled overnight with bows and arrows

Many people have cancelled their holidays The general manager of the Tropical Village and African Dream Village hotels, Mr Bruno Fontana, said he had been expecting 130 tourists from Italy on Monday, but only 39 arrived

Arsonists burned down close to 400 stalls at a curio market in the Indian Ocean resort on Monday night

The stallholders were rebuilding their kiosks yesterday among charred soapstone chess pieces and the ashes of wooden souvenirs

They said the arson was an attempt at land-grabbing and may not have been connected with attacks around Mombasa in which 37 people have been killed since Wednesday last week

But the stallholders here are almost all from inland tribes, and the gangs attacking villages around Mombasa are leaving leaflets telling the non-coastal tribes there to go home

Kenyan opposition leaders are interpreting this as government-inspired "ethnic cleansing" of coastal electorates before presidential and parliamentary elections expected late this year, while President Daniel arap Moi is accusing the opposition of being behind the violence

Malindi's hotels are usually full at this time of year, but Fontana estimated that the occupancy rate overall had fallen by at least 70% in the past week

Many of the tourists here are Italian, and most do not know enough English to understand local radio or read local newspapers They are getting news of the violence in worried telephone calls — "hundreds a day" said Fontana — from family in Italy who relay reports in the Italian media

The streets of Malindi were virtually deserted yesterday morning

The stallholders at the curio market said the arsonists looted many of the kiosks before torching them, but that no one was killed

"We patrolled last night with bows and arrows to make sure they did not come back," said Mr William Nyabwari, whose stall was one of the few to escape destruction

He said the Malindi council, which owns the beachfront land, was trying to move the curio market inland, far from the hotels which provide customers, and sell the land to developers

To rebuild and restock costs about $700 (R3 280) a kiosk, Nyabwari said

The vendors fear the rebuilt stalls will be burned down again

Last year an entire shanty town in a Nairobi suburb was burned down to make way for development. — Sapa-AFP

Kenya court charges suspects

BD 22/8/97 (163)

MOMBASA — A court in Kenya's Indian Ocean city of Mombasa yesterday charged 62 suspects with robbery with violence during a raid on a police station that set off more than a week of attacks and clashes along the coast.

The 62, including an Islamic prayer leader, were accused of attacking Likoni police station on August 13 and in the process killing a police constable, stealing weapons including 40 G-3 rifles, and damaging property.

The accused included Amir Hamisi Ali Banda, imam or prayer leader, and Ali Said Chidzondo, chairman of the National African Democratic Union

All denied the charges and will appear again in court in two weeks' time.

Police have said the attacks were the work of thugs, but President Daniel arap Moi's government and the opposition have blamed each other for fuelling tribal tensions on the coast.

Six policemen and seven civilians —including five attackers were killed in the attack on Likoni police station near Mombasa and a nearby tourist post.

Police have reported a further 26 people killed since the Likoni raid in a spate of attacks on the usually sleepy coast mainly directed at Kenyans originally from outside the region

Police have rounded up more than 300 people since the Likoni raid, including two activists with Moi's ruling Kenya African National Union (Kanu) party, who are being questioned

Meanwhile, thugs continued attacking people from noncoastal tribes around Mombasa yesterday as tourists kept off the streets

"More than 30 men invaded our compound," said Ruth Auma, a young Luo woman, as heavily armed paramilitary police arrived at the village of Ujamaa, south of Mombasa.

The dozens of heavily armed police searched houses and a nearby bush, arresting about 20 young men —Reuter, Sapa-AFP.

Mopping up: Kenyan policemen remove a woman hurt during riots in Nairobi last week. Rallies calling for reform were broken up by police, leading to rampages in the city. PHOTOGRAPH: SAYYID AZIM/AP

Kenyan 'third force'? (163)

m+G 22-28/8/97

Dalal Magan and Mail & Guardian correspondent

Kenyan President Daniel arap Moi begins his 19th year in office this week, but as anniversaries go this isn't a happy one Violence has swept through the country's palm-fringed coastal resorts, and hundreds of well-heeled tourists have cancelled their bookings

With 39 people known to have been killed in a week of bloodletting in and around Mombasa and Malindi, opposition groups in Kenya are pointing to a South African-style "third force" operation along the coast

In the widely discredited general elections of 1992, Moi won only a single parliamentary seat out of four in this area With new elections now just two months away, opposition groups say members of Moi's ruling Kenyan African National Union (Kanu) party are behind efforts to frighten away coastal people not normally resident in the area Already 5 000 who work the coastal resorts and live in villages around Mombasa have fled

The successful candidate for the presidential election must secure 25% of the vote in at least eight provinces Pamphlets found in unrest-marked areas have been urging people to expel non-coastal residents There is a mounting body of evidence now pointing to government involvement in instigating the violence

Tourism is Kenya's second-largest industry after tea It earns more than $450-million annually, and while tourists have not been targeted during the unrest, the industry is particularly vulnerable to civil strife The Kenyan tourism board has warned the government that huge numbers of tourists have cancelled their bookings

Since 1991 thousands of civilians have been killed and internally displaced in the Rift Valley and in Kenya's north-eastern and coastal provinces

Moi, who has never stood in or won a credible Kenyan election, is a former rural primary-school teacher given a seat in the colonial legislative council in the 1950s Many Kenyans believe Moi and his family have stripped the treasury of foreign-currency earnings in much the same way as his friend and ally Mobutu Sese Seko did in Zaire before being ousted after more than 30 years of despotic rule

In the wake of the recent unrest, Kenyan police have arrested both opposition supporters and a well-known activist loyal to Moi Nine police officers are now known to have died in the violence

Moi has blamed the trouble on opposition leaders, saying they are fanning tribal hatred ahead of the October elections He has refused to introduce constitutional reforms which opposition groups say are essential if the coming elections are to be free and fair

Kenya's umbrella reform group, the National Convention Executive Council (NCEC), said this week that Moi had backtracked on his decision to effect reforms before the general election, and had decided to have no further chruch-mediated talks with the NCEC

"Since Kanu will not hold a dialogue with NCEC the mediation process has come to an end," the group said "Clearly the ethnic violence in Mombasa, Kwale and now Malindi was government- and Kanu-sponsored," the NCEC charged

"The precision with which the operation was being executed and the inability or reluctance of the regular forces to contain the violence indicated that it was being instigated by official security forces "

AFRICAN BUSINESS

Central bank raises interest rates to 24% and lures T-bill investors back to the market

'Good news' as Kenya's shilling rises

(163) CT(BR) 26/8/97

FROM AP-DOW JONES

Nairobi — The shilling recovered against the dollar on Friday, boosted by a successful treasury bill auction on Thursday and the announcement by the IMF that it planned to reopen talks with the government

The dollar fell to 67,90/68,50 shillings at the opening, down from Thursday's close of 69,47/70,28 shillings, the Central Bank of Kenya said

The results of Thursday's auction of 90-day treasury bills indicated foreign investors had been attracted back into the market by the central bank's decision to raise interest rates to 24 percent.

Of the 13,3 billion shillings (R966,5 million) on offer at the auction, 11,7 billion in bills were sold at an average rate of 23,76 percent The central bank said it had raised interest rates further to a little over 25 percent, in the hope of wooing new investors

At the previous week's auction, the bank sold only 6,6 billion shillings of the 14 billion shillings on offer, with an interest rate of 18,738 percent

Michel Camdessus, the IMF managing director, on Thursday said he was sending a team to Nairobi "immediately" following a telephone conversation he had on Wednesday with President Daniel arap Moi.

"This is all good news," said Charles Musawo, a central bank foreign exchange dealer

The IMF suspended a $220 million loan to Kenya at the end of July, after it failed to act on high-level corruption and mismanagement in the energy sector The World Bank followed suit and suspended a $76 million structural adjustment credit.

IMF delegates resume talks on aid

[illegible]

Musawo said the IMF team was expected in Nairobi early this week

Camdessus said he told Moi he wanted to resume the close co-operation the fund had had with Kenya, but the authorities first had to resolve governance issues, a reference to IMF concerns about corruption

After the IMF suspended its loan, the Kenyan shilling lost 18 percent of its value against the dollar within a week, sending shockwaves through the economy Friday's recovery leaves the shilling down 15,4 percent since the suspension of the IMF loan

Moi is under the heaviest international and domestic pressure to enact economic and political reforms since 1991, when foreign donors cut aid to force him to lift a ban on political parties

He is seeking a fifth five-year term in general elections due this year, but for which a date has yet to be set

IMF team wants Moi to act over govt corruption

(163) BD 26/8/97

NAIROBI — An International Monetary Fund (IMF) team met Kenya's President Daniel arap Moi yesterday to seek personal assurances that he would stamp out official corruption in return for a steady flow of IMF cash.

The meeting in the port of Mombasa was the first since the IMF halted a $205m loan package on July 31, citing governance issues and corruption.

Government officials said the talks at the presidential residence in Mombasa lasted about 45 minutes. They said discussions with key ministers would precede another meeting with Moi tomorrow.

"President Moi said they held useful discussions with the IMF team. He expressed hope that following the talks a solution will be found regarding the suspension of the enhanced structural adjustment facility," the presidential press service reported.

The service said the IMF delegation was made up of deputy director Goddal Gondwe and resident representative Reimer Carstens. Moi was flanked by Kenya's leading economic reform figures — Finance Minister Musalia Mudavadi and Kenya's Central Bank governor Micah Cheserem — as well as other treasury officials.

The aid suspension, which coincided with pre-election political unrest, hit the economy hard, driving the Kenyan shilling down by nearly 20% against the dollar as foreign investors pulled out.

Yesterday the shilling gained 3,27% against the dollar and traded at a commercial mean of 62,62 from 64,74 while on the pound, it gained 4,82% to 99,96.

Businessmen said they awaited progress in the IMF talks.

"It's easy to talk, it's not so easy to agree. We have not seen any sign of any action being taken on the issues raised by the IMF. I'm pessimistic ... people are pretty pessimistic," said Charles Gardner, resident representative of the Eastern Africa Association that groups mainly British companies.

"I believe it's very important for Kenya's long-term economic progress that there should be an agreement," Gardner said.

IMF MD Michel Camdessus said last week that he was sending a team to Kenya for talks after a personal request by Moi. Carstens said the talks with Moi were aimed at agreeing on a date when negotiations could begin.

Kenyan officials said the IMF wanted pledges from Moi that Mudavadi had the president's authority to lead talks for IMF loans — Reuter.

Zimpapers hit by pay strike

BD 26/8/97

HARARE — Zimbabwe's publishing group, the state-controlled Zimpapers, said yesterday that a pay strike had led to losses in advertising revenue and disrupted production of the group's flagship and national daily, The Herald.

In an advisory to clients The Herald said truncated issues of the daily newspaper as well as the weekly Sunday Mail were being produced by journalists and technical staff in managerial positions.

The advisory said the newspaper's cover price "does not even pay the production and distribution costs and the company is making losses without traditional advertising support".

The strike started at the weekend with reporters, drivers and technical staff pushing for implementation of a job evaluation exercise carried out last year which spelt out new worker grades and salary scales — Reuter

ANALYSIS

Moi flies to coastal trouble spot amid fears violence will spread

BD 26/8/97 (163)

The violence which has claimed 42 lives appears carefully orchestrated, reports **Louise Tunbridge** from Nairobi

PRESIDENT Daniel arap Moi flew to the troubled coast at the weekend to assert his control as the death toll from a spate of mysterious violence in the seaside town of Mombasa reached 42

Government and opposition politicians have blamed each other for fuelling the unrest that appears to have been carefully orchestrated

However, as tens of thousands of people flee Mombasa by bus, train and on foot, Kenyans and observers are drawing parallels with the past.

This is an election year which will see veteran Moi, 73, one of the last African "big man" leaders of his generation, vying to retain the position of supreme power he has held for nearly two decades

In 1992 he proved that he had no intention of moving aside as he and his ruling Kenya African National Union (Kanu) party won the country's first multiparty elections under a cloud of violence

Then trouble flared in the Rift Valley and other western provinces Hundreds of people were killed and tens of thousands were displaced

The majority of those displaced were Kikuyus, Luos and Luyhas — tribes largely associated with political opposition parties Because of the violence, tens of thousands were unable to cast their ballot

After an official investigation, a parliamentary committee made up only of Kanu members reported that the clashes had been politically motivated and orchestrated by prominent ministers including Vice-President George Saitoti and Moi's close aide and confidante, Nicholas Biwott

The current exodus from Mombasa is also made up of Kikuyus, Luos and Luyhas, coastal settlers from upcountry who were targeted in the attacks

In some raids, leaflets were circulated warning "upcountry invaders" to leave the area to its indigenous inhabitants, traditional supporters of Kanu.

Last week parliament in Nairobi held one of its noisiest sessions yet as opposition MPs took advantage of the parliamentary privilege to accuse government ministers of orchestrating the violence

Biwott vigorously denied that he had masterminded the affair and paid the hired gangs who executed the plan. He said the two bags he was seen carrying on a trip to Mombasa last week were not stuffed with money, as his detractors alleged, but dirty clothes from a weekend stay in Eldoret.

While the date of this year's polls has yet to be announced, political tension has been running high since May, when a proreform lobby launched a campaign of mass action

Violence spilled onto the streets of Nairobi and other inland towns last month, with the police brutally crushing protests by the proreformists, nine of whom were killed

The rallying cry "no reforms, no elections" has galvanised countrywide support for the movement, which argues that polls will not be free and fair unless the president's enormous personal powers are curtailed and a series of repressive laws repealed.

Western donors have appealed to the government to avoid further bloodshed by engaging in dialogue with the proreformists and other opposition groups

Yet hardliners in Moi's cabinet, including Biwott, are clearly angered by the surge in open dissent and appear to be in no mind to compromise Moi last week accused the opposition of being bent on "making Kenya ungovernable by creating chaos and anarchy"

He singled out white Kenyan Richard Leakey and lawyer Paul Muite, both founder members of the unregistered opposition Safina Party, accusing them of trying to overthrow his regime

Safina activist Khelef Khalifa was among the first suspects arrested over the Mombasa attacks

According to Safina officials, he resisted efforts by police officers trying to force him to sign a statement implicating the party in the violence He was charged in court with holding an illegal meeting

US ambassador to Kenya Prudence Bushnell described events in Mombasa as "organised, cold-blooded terror" and warned that once unleashed, such unrest would be hard to stop

For several weeks Moi has been travelling furiously around the country on a gruelling schedule of public rallies and fundraising events, paying special attention to areas in which Kanu had a poor showing in 1992

In terms of the rules, the winner of the presidential election must poll at least 25% of the vote in five out of Kenya's eight provinces

Kenyans and observers fear that the pattern of violence seen in Mombasa could be repeated elsewhere as the election countdown begins

The proreformist lobby, meanwhile, promised to step up its mass action campaign, announcing plans for more public rallies next month.

It has threatened to disrupt the ballot if the Kenyan government goes ahead with the polls before implementing reforms

During the early 1990s, when he was under pressure from the west to accept democracy, Moi warned that multipartyism would lead to tribalism and chaos

Last week Moi repeated the prophecy — which seems to be in the process of being fulfilled

A woman carrying her belongings waits for the ferry to cross into mainland Mombasa from Likoni, in the south, and head to her ancestors' home in Kisumu About 5 000 noncoastal people have returned to their ancestral homes over the past week after violence in the Indian Ocean coastal town Picture AP

Kenyan sugar growers taste corruption's bitter fruits

BD 26/8/97 (163)

AT THE Mumias sugar factory in Kenya's Western Province, the mood is cheerful after weeks of tension.

"This is what we like to see lorries queuing up outside the factory and bags disappearing It's when the stocks pile up and no one comes to collect them that we worry," says a worker

A delegation of foreign lawyers and economists that arrived in Nairobi at the weekend will decide whether that cheerfulness endures or evaporates

The International Monetary Fund's (IMF's) latest mission to Kenya could determine whether the sugar industry, on which 3-million people depend for their livelihoods, survives or collapses

President Daniel arap Moi's removal last month of the country's top customs official as he was investigating sugar smuggling was the last straw, prompting the fund, weary of the sleaze factor in Kenyan politics, to suspend a $220m loan agreement

Now the IMF is back, responding to a personal appeal from a president perhaps taken aback by the disastrous effect suspension has had on the economy

But while legal action to punish 11 offenders has been announced, few in the sugar world believe it is enough to halt the practice that has triggered the most serious crisis in the industry's history — massive illegal dumping of imports by businessmen with links to the highest echelons of the government.

"A few weeks ago, just when the industry was on the point of collapse, the dumping eased," says an industry analyst. "But we understand there are tens of thousands of tons of sugar lying in warehouses in Mombasa Once the shilling strengthens, we expect them to be released on the market and the whole thing will start again "

The reason, cynics say, is simple Elections are due in Kenya by the end of the year and the ruling Kenyan African National Union (Kanu) party needs cash The new independent status of the Kenyan central bank and its governor's tight management have cut off a traditional avenue What printing of money did for the 1992 elections, sugar dumping will do for the 1997 polls

Allegations that part of the smuggling profits help fund Kanu's electoral campaign are made in private by senior government officials as well as industry workers "The story is that Kanu is filling its war chest," says a sugar farmer "If that is true, there can be no halt until the elections are over These guys are both greedy and shameless "

First launched as a cash crop three decades ago, sugar has thrived in the abundant rainfall of Western and Nyanza provinces bordering Lake Victoria By the 1980s, thanks to a network of outgrowers with average holdings of less than a hectare, Kenya was self-sufficient in sugar

"This is a very good climate for sugar," says Norman Brooks, a member of Kenya's Sugar Authority, who owns a lime factory and a small sugar farm "Yields here are probably the best in the world It could be the most profitable crop in the country "

Instead the sector today fails to meet annual demand of 550 000 tons The smuggling problem, which has taken off in the past year dealt a devastating blow to a sector already suffering from poor state management and political interference

The scam goes into effect at the notoriously corrupt port of Mombasa, where importers claim the sugar is in transit, destined for Tanzania and Uganda, and therefore not liable to tax They then release it at rock bottom prices on the Kenyan market

At its height, the smuggling left sugar factories with unwanted stocks rotting in their warehouses They reacted by slashing prices to levels where they could no longer make a profit, delaying payments to outgrowers and postponing cane harvesting

Mumias, east Africa's biggest sugar factory, producing 55% of Kenya's sugar, has stubbornly continued paying the 44 000 farmers that depend on it.

The Kenya Union of Sugar Plantation Workers puts the total loss to the industry's total loss at more than 840-million Kenyan shillings (£7,5m) this year

Another effect has been a cooling of foreign interest in the privatisation of the industry, another IMF loan condition government has been slow to comply with

Few want to invest in a sector that risks going the same way as Kenya's cotton industry, which collapsed many years ago through poor management.

While there is no shortage of complaints, the sugar lobby seems incapable of the kind of campaign other Kenyan groups mounted when systematic illegal dumping threatened their agricultural industries

The explanation lies in the location of the country's sugar factories, in the heart of two provinces populated by the Luo and Luhya ethnic communities, stalwart opposition supporters In 1992 Nyanza voted solidly against Moi, while he barely scraped a victory in Western province

The president has reserved particular suspicion for the Luos since Luo air force officers staged an abortive coup in 1982

Locals, angered by government's failure to prevent the recent victimisation of "upcountry" citizens who had settled on the coast, regard government's apparent willingness to see the sugar industry collapse as part of a long-term war of attrition against a group Nairobi views as intrinsically hostile —Financial Times

Moi set to curb corruption and improve governance, says IMF

(163) BD 27/8/97

NAIROBI — The International Monetary Fund (IMF) said yesterday that Kenyan President Daniel arap Moi was "very determined" to stamp out corruption and enhance good governance in return for international donor assistance

IMF deputy director Goddal Gondwe and resident representative Reimer Carstens met Moi in Mombasa on Monday in the first contact between the IMF and Moi since the IMF halted a $205m aid package on July 31

"We had an in-depth talk with the president about the issues — corruption and governance We are going to pursue these issues throughout," said Carstens.

"He (Moi) gave us the impression that he is very determined to improve the situation and to resolve these issues "

On Monday, one business executive said he had not seen evidence of Moi's determination to resolve the stalemate

"It's easy to talk. It's not so easy to agree We have not seen any sign of action being taken on the issues raised by the IMF. I'm pessimistic," said Charles Gardner, resident representative of the Eastern Africa Association that groups mainly British companies.

Carstens said the IMF mission was not in Kenya to negotiate on programmes but to agree on a start date for talks, which would follow "once the issues on the table are dealt with satisfactorily"

The IMF mission and a Kenyan working group were due to hold discussions yesterday and today and meet Moi again tomorrow when a date for fresh negotiations would probably be announced, said Kenyan treasury officials

The 73-year-old Moi initially poured scorn on the IMF decision, saying IMF cash was not a large amount compared to Kenya's total economy But after the shilling took a thrashing against the dollar and international investors began pulling out, he changed tack

Moi was further convinced of impending economic problems when his economic advisors told him that without IMF aid Kenya was in danger of defaulting on its $6,1bn external debt.

Moi has previously said economic reforms implemented at the behest of the IMF and World Bank deeply hurt his people But Carstens said yesterday Moi understood the value of donor aid.

The IMF cited bad governance for halting the aid package amid mounting concern at high-level corruption in Kenya Slow reform of the energy sector and delayed sales of government firms have also been issues of concern, Kenyan officials say

The IMF has singled out the so-called Goldenberg affair to make its point In 1991 and 1992 the government paid a company called Goldenberg International up to $100m in compensation for gold and diamond exports. Kenya produces little gold and no diamonds

The scandal has become synonymous with Kenyan corruption, decried as among the most rampant in Africa Government officials faced charges over the affair but no case has been completed

Kenyan newspapers and magazines have in the last two weeks reported that the IMF wanted several high-ranking government officials in the energy sector sacked because they are tainted with corruption or impeding the pace of sectoral reforms

They have also said that the IMF wanted the reinstatement of Samuel Chebii, a senior customs executive who was sacked while investigating tax evasion by senior politicians in the sugar imports business

The breakdown in talks with the IMF and continuing political violence ahead of elections later this year have eroded investor confidence in Kenya and undermined its economy — Reuter

Kanu members among six charged in wake of violence

(163) BD 29/8/97

MOMBASA — Six suspects, including two activists in Kenya's ruling party, were charged in the Indian Ocean city of Mombasa yesterday in connection with violence on the coast

Omar Masumbuko, a local activist in President Daniel arap Moi's Kenya African National Union (Kanu) party, and five others were charged in court with robbery with violence, arson and taking unlawful oaths

Emmanuel Maitha, another Kanu member, was charged with possession of weapons. They were all refused bail and remanded in custody until September 4

The appearance of the six in the chief magistrate's court took to 165 the number of people charged in connection with ethnic violence since a raid on a police station south of Mombasa by on August 13.

Maitha and Masumbuko were the first Kanu activists charged in connection with the pre-election violence on the coast

At least 46 people have been killed in the attacks, mostly against "up-country" Kenyans, originally from outside the coastal region, by gangs armed with stolen police rifles and machetes

Thousands of up-country Kenyans have fled the coast in fear of being caught up in the attacks or a sweep by security forces

Many accuse Kanu of being behind the violence because they planned to vote for the opposition in the election. Moi blames opposition parties for fuelling ethnic tensions

The violence has caused some cancellations by foreign tourists but no tourists have been targeted Tourism is Kenya's leading foreign revenue earner and the leading employer.

Moi, 73 and in power for 19 years, on Wednesday threatened tough action against the armed raiders, saying no guns had been surrendered and that harsh action would be taken when a deadline expired yesterday

Roman Catholic bishops challenged the government on Wednesday to show it was in control of the coastal region.

"The government has shown itself powerless and has not been able to explain, let alone prevent, such a well-planned and executed operation," they said "Either the government is in control or should admit that it is not"

They also urged the government to postpone preparations for this year's general election to allow for political reforms. — Reuter

GRAFT *Kenyan shilling opens cautiously as market awaits concrete action on promises*

Moi pledges anti-corruption authority

CT (BR) 2/9/97 (163)

MANOAH ESIPISU

Nairobi — Kenya's proposed reforms, announced at the weekend, made clear for the first time in a public statement how far corruption had spread through the government

Buckling under IMF pressure to halt graft to win back crucial IMF aid, President Daniel arap Moi has promised to:

- ☐ Create an anti-corruption authority with full autonomy to stamp out public corruption, including past abuses,
- ☐ Ensure the Kenya Revenue Authority, the tax agency, has the independence to collect taxes and all duties;
- ☐ Reform the state-owned energy sector, strengthen its management and renegotiate two power contracts, and
- ☐ Ensure legal and administrative processes are adhered to to establish accountability for past financial mismanagement

PRESSURE *IMF representatives Goodall Gondwe and Ray Carstens at a conference that dealt with the Kenyan talks* PHOTO: REUTER

However, the IMF warned it would not review its decision to suspend aid until tough measures were implemented and made clear promises were no longer good enough when it came to graft and bad governance.

The shilling opened cautiously yesterday as markets digested the implications of the lack of a specific date for the resumption of aid talks between Kenya and the IMF

It opened at 65,74 against the dollar from Friday's close of 65,72, which preceded the state's announcement.

"The shilling is looking weak at the moment. The news was shilling negative and may keep it weak because it looks unlikely we'll get any aid before the elections," a dealer said.

In addition, AP-Dow Jones reports that while welcoming the announcement, traders said the market would delay its response until there was evidence the government was following through on its promises.

"There's been no movements in the market," said Charles Musawo, a foreign exchange dealer at the Central Bank of Kenya. "We're still waiting for the market to react There seems to be a warm reaction to the government's announcement, but (it) has to act first to meet IMF conditions."

The government's promise to crack down on corruption was greeted with scepticism by economic analysts and newspapers yesterday

"Moi knows that corruption exists and his government has volumes of information detailing corruption and who the prime suspects are in these deals," Economic Review, the business weekly, reported yesterday.

"The biggest headache for Moi is that fingers always point at his most trusted deputies, allies and power brokers — Reuter

PP PS (163) TS

Mombasa schools stay closed after residents flee violent suburb

CT 2/9/97 (163)

HOMELESS: Four-year-old Maurine Otieno carries her brother Odero at the Holy Ghost Cathedral, Mombasa, yesterday. She and her parents took shelter at the church after fleeing Likoni, south of Mombasa. ***PICTURE: AP***

MOMBASA: Schools in the violence-hit Likoni suburb of Kenya's port city of Mombasa failed to open on the first day of this year's final term, after residents fled the area, teachers said.

The suburb was deserted during the weekend after people left their homes fearing that police would launch a search operation for 33 guns still missing after an armed band attacked a police station there earlier on August 13.

"Almost all parents have fled to safer areas with their children," said Mr Said Hamisi Ganzala, the head teacher in Likoni primary school.

Not one of the 1 400 pupils enrolled in the school turned up for classes yesterday morning, Ganzala said. Teachers too, did not report for work. Most had fled the area.

Residents have been leaving Likoni, saying that police deployed in the area to search for the guns were beating civilians, raping women and asking for bribes.

Others fear that armed gangsters, who have warned members of inland tribes living in this Indian Ocean coastal region to leave or be killed, will carry out their threats.

At least 47 people, mostly from the interior, have been killed since the start of the violence, when the police station was raided. Twelve victims were policemen.

Five boys turned up for classes in the Likoni secondary school, but there were no teachers to teach them.

About 500 boys and girls attended school before the violence erupted.

"If the government does not restore security, our lives will be disrupted, because we will not be able to sit our final examinations in November," said Said Abdallah, 18, a pupil at Likoni secondary school.

"It will be very sad if we are not able to sit our exams. Teachers are afraid of coming to school because police are beating people indiscriminately," said Augustine Omondi, another pupil.

The head teacher of Consolata primary school, Mr Patrick Jacob Ouma, said teachers from upcountry districts were applying to be transferred to inland schools because of insecurity in the coastal region.

Ouma said 90% of teachers in the Mombasa district came from the interior.

None of his 630 pupils and 22 teachers turned up for classes yesterday morning.

"I intend to leave this place to go and teach in Busia district in western Kenya," said Ouma. He said he had moved his two children from Likoni to a school in Busia. — Sapa-AFP

Kenya's shilling takes breather after slump

ET(BR) 3/9/97 (163)

From Reuter

Nairobi — Kenya's foreign exchange market was calm yesterday but lacked clear direction, commercial dealers said

The Kenyan shilling opened at a commercial mean rate of Ks65,90 against the dollar compared with Ks66 at Monday's close Against sterling, it was at Ks106,08 from Ks106,15.

Dealers said most investors — importers and exporters — had relaxed in the absence of any market-shattering factors and were now watching the market while keeping an eye on each other to see who would make the first move.

"Whoever makes the first move will determine the short-term direction for the shilling," a senior dealer said

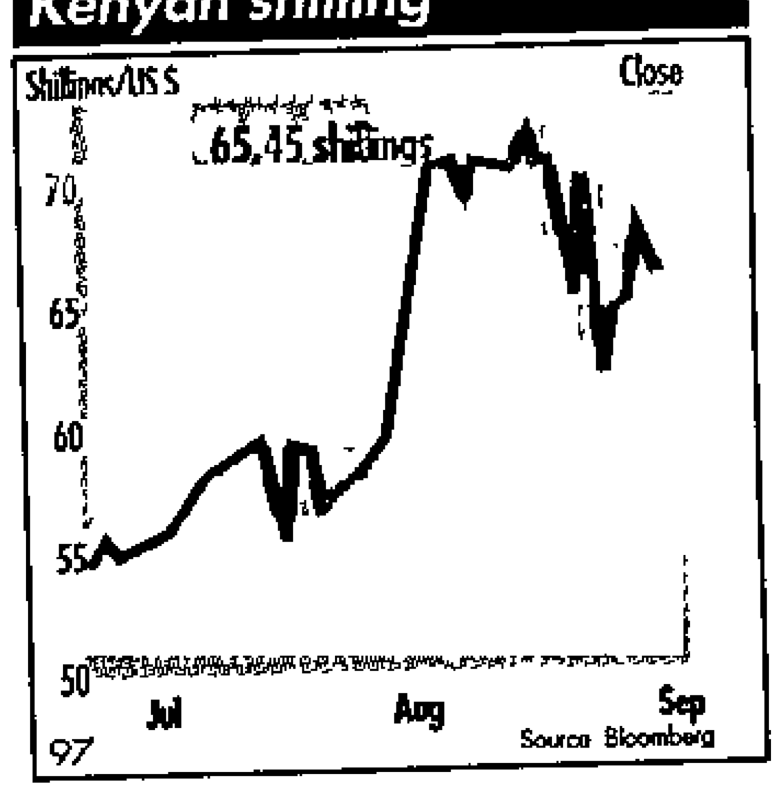
Another dealer said "nobody is in a hurry, the market is in a stalemate"

Yesterday's breather came after Kenya's worst currency turmoil in four years That followed a decision by the International Monetary Fund (IMF) to halt a $205 million aid package on July 31 because of corruption and bad governance

The shilling slumped to record lows, losing up to 20 percent after nervous investors launched a wave of panic-dollar buying.

An IMF mission last week agreed with Kenyan leaders on measures required to restore the aid, but no date was set for the resumption of talks

Kenyan shilling



Crackdown on rally in Kenya

CT 8/9/97 (163)

KISUMU, Kenya: Kenyan police detained an opposition legislator, broke up an open-air market and fired tear-gas canisters in the western city of Kisumu yesterday to prevent an anti-government rally taking place

Police patrolled on trucks and jeeps and authorities warned people against gathering at a downtown rally called by groups demanding legal and constitutional reforms before this year's elections

The rally in Kisumu, an opposition stronghold 300 kilometres north-west of Nairobi, on Lake Victoria, was supposed to be the first in a series of demonstrations the reformists announced earlier this week

They hope to pressure the government of President Daniel arap Moi — 74 and in office for 19 years — to repeal the colonial-era laws and enact constitutional reforms, without which, they argue, free and fair elections are impossible

Moi is seeking a fifth, five-year term No date has been set for the elections, but they must be held before the end of the year

Kisumu was deserted and tense and many people, fearing trouble, stayed out of regular Sunday church services

Police detained Mr Otieno Mak'Onyango of the opposition Forum for Restoration of Democracy-Kenya while he was waiting for other opposition leaders at the Kisumu airport Mak'Onyango was being held under police surveillance, without explanation, at the airport lounge

More than 20 opposition legislators and activists were expected to fly in for the rally, considered illegal because the reformists refused to apply for a mandatory licence

Anti-riot police broke up the downtown bustling Kibuye open-air market, apparently fearing that the reformists may use the crowd to cause trouble

At the same time, police fired tear-gas canisters at the local bus station to disperse crowds of youth who began arriving for the rally from elsewhere

On Thursday, the National Convention Assembly, a group of opposition leaders, civic rights activists and lawyers, announced a country-wide mass action programme to protest Moi's refusal to include their movement in reform dialogue

Moi's ruling Kenya African National Union has refused to talk to the reformists, saying the Parliament was the only body to discuss laws and constitution — Sapa-AP

Opposition MPs detained in Kenya

(163) PD 8/9/97

KISUMU — Kenyan police detained four opposition MPs and three pro-reform lobbyists yesterday when they arrived in the western town of Kisumu to address a rally called to press for constitutional reform, witnesses said

The seven, all members of the National Convention Executive Council (NCEC), were detained at the airport after their plane landed Travellers were stranded outside and inside the airport after police shut the airport gates, reporters on the scene said.

Sunday's rally was intended to be the first action in a series of national protest activities announced by the NCEC on Thursday to pressure the government to start negotiations on constitutional reform with the umbrella pro-democracy lobby The mass action programme groups opposition politicians, church leaders, youth groups and nongovernmental organisations, includes general strikes planned for September 18 and 19 and October 8 and 9.

Riot police earlier cordoned off the stadium where the rally was to be held.

The NCEC has denounced as "betrayal" constitutional reforms discussions between 76 MPs of the ruling Kenyan African National Union (KANU) party and 34 opposition MPs, saying religious leaders and civic groups should be included

Opposition parties in July mandated the council to negotiate constitutional reforms with KANU, but KANU refused to meet the reform lobby, saying it was not an elected body

President Daniel arap Moi has denounced the council as a "foreign-funded" group which has no stake in the country's constitution — Sapa-AFP

Kenya's flower growers plan blooming SA trade

CT(BR)9/9/97 (163)

JOE KHAMISI

Dar es Salaam — Satisfied with their volume of exports to Europe and the Middle East, Kenyan horticultural producers are now eyeing South Africa for a marketing push planned for early next year, officials of the Fresh Produce Exports Association said in Nairobi yesterday

"We feel South Africa has the potential of not only being a significant importer of cut flowers but of fruits and vegetables as well," said the association

It said South Africa was one of the new markets, including Australia, being targeted for intensive market research early next year A trade mission would then undertake a tour of the country to meet South African dealers

"This is part of our long-term global approach to enhance horticultural trade with countries we do not have trading relations with", said the association.

South Africa imports mainly cut flowers from Kenya But it exports a wide variety of fruit to the east African country

The horticultural industry is Kenya's fourth largest foreign exchange earner behind tourism, tea and coffee. Last year, the industry earned 13,2 billion Kenyan shillings from exports which totalled 84 000 tons — Independent Foreign Service

ANALYSIS

Kenya's coffee, tea farmers feel the pinch

(163)

BD 9/9/97

Corruption and an inability to deal with a liberalised market is wrecking Kenya's coffee and tea industries, writes Louise Tunbridge in Nairobi

THE undulating green rows of tea bushes and neatly tended coffee fields in Kenya's areas of highest agricultural potential present an image of harmony and wellbeing But angry farmers say rampant corruption is wrecking both industries and dragging down their standard of living

Tea vies with tourism for the number one spot in Kenya's annual foreign exchange earnings, with coffee taking third place

Under British rule, both crops were seen as the exclusive preserve of white settlers in the coveted highlands around Mount Kenya. But at independence in 1963, tens of thousands of indigenous farmers responded to a highly successful promotion campaign calling on them to show that they could do it too.

Now most of the country's tea is grown by 250 000 local farmers on smallholdings, whose production has outstripped that of the large tea estates.

The two industries are run along different lines Tea farmers sell their produce to processing factories mostly managed by the Kenya Tea Development Agency, a government body set up to promote the activities of smallholders The Tea Board of Kenya is the regulatory and policy body that licenses growers and factories and markets Kenyan tea.

Most coffee is grown by smallholders and co-operatives and processed by the largest milling organisation, the government-influenced Kenya Planters' Co-operative Union. The Coffee Board of Kenya is charged with marketing and policy-making

A big potential market for Kenyan tea and coffee is SA, but little serious research has been done by the tea development agency or the coffee board to find a way in

Kenya Tea Packers, producing branded tea, has made two recent trade missions to SA with little success Business analysts cite the high level of protection that deters newcomers to the SA market, and inadequate preparation by the would-be Kenyan sellers.

Kenya's tea and coffee rank among the highest quality in the world but heavy-handed government involvement has affected both industries equally disastrously.

"Corruption is the biggest problem bedevilling both industries," said tea farmer and business analyst Njau Gitu "Unfortunately those who've been mandated to manage have looked at it as an opportunity to gain."

High-level corruption led the International Monetary Fund to freeze its aid programme to Kenya in July. There is much concern in donor circles over continuing abuse of public funds in government-run corporations, such as the tea development agency and coffee board

Tea farmers complain that much of their crop goes to ruin while they wait for development agency trucks to collect it from buying points and take it to the nearest factory Roads that should have been maintained have become impassable, especially in wet weather. Factory machinery is old and badly serviced, and farmers' payment invariably late

Alleged irregularities in procurement deals has inflated the cost of transport to such a level that, according to Gitu, the development agency would be saving vast amounts of money if it bought tea from farmers and simply threw it away

A private prosecution by farmers against the development agency directors is pending It is being alleged that 500-million shillings was siphoned from the coffers in irregular procurement deals The agency's top managers are government appointees

Pressure from tea growers to privatise the agency and allow it to be run by small farmers without government interference has been strenuously resisted by the management

In the coffee sector, the Kenya Planters' Co-operative Union management has dug in its heels over demands to open up milling to competition.

Farmers say the planters' union has made huge financial losses, passed on to them, while members of its management board are among the highest paid executives in Kenya.

Members of parliament, whose constituencies lie in coffee and tea growing areas, formed the Coffee and Tea Parliamentary Association to try to rectify the mismanagement of both sectors Coincidentally, all Coffee and Tea Parliamentary Association members belong to the opposition Its application for registration under the Societies Act was rejected and is currently under appeal

"The areas producing coffee and tea have been neglected by the government, rather than assisted," said coffee and tea association chairman Kiraitu Murungi "No action has been taken because they are all opposition areas that would benefit from an improved infrastructure It's a typical dilemma for this government They've chosen to run down their best industries"

Strangled by inefficiency, both industries have failed to take advantage of new opportunities Only a tiny proportion of locally grown tea is blended, packaged and branded in Kenya for sale here and abroad. Most is exported principally to Britain and Pakistan, where it is blended and packaged for re-export at a greatly increased value to Europe, America and the Middle East.

According to Gitu, Kenya has been pouring money into other countries' coffers instead of its own "What we should be doing is blending, packing and selling our own tea as a finished product abroad and vastly increasing our earnings. The tea development agency is the only organisation that could have been promoting that but it is plagued with problems and can't conform to a liberalised market"

Small-scale farmers, meanwhile, are feeling the pinch. A severe drought in the first half of this year depressed tea production Reports from tea and coffee growing areas say poverty is increasing among farming families

Bloody prelude to Kenyan elections

M+G 12-18/9/97 (163)

Locals are fleeing the district of Likoni after recent massacres, and the promise of more to follow.
Chris McGreal *reports from Mombasa, Kenya*

If the Kenyan government is to be believed, a group of marauding drug addicts and drunks has raided a police station, driven 100 000 people from their homes and throttled foreign tourism to Mombasa's pristine beaches

Many of the victims of the recent violence, plus President Daniel arap Moi's opponents and the clergy see it differently. Amid growing suspicions that hit squads are being trained near Mombasa, they accuse the administration of precipitating chaos ahead of this year's presidential and parliamentary elections, with attacks reminiscent of the ethnic killings which claimed more than 1 000 lives across Kenya before the previous ballot five years ago

The latest violence has centred on Likoni, a Mombasa district settled largely by people from other parts of the country The bloodshed began with a raid on the local police station last month in which seven policemen were killed and 44 guns stolen They are presumed to be the weapons used in a spate of killings that has claimed more than 50 lives in attacks on "up-country" Kenyans

The raids have taken on religious and ethnic tones fuelled by resentment at exploitation of local peoples by outsiders and international tourism Most of Likoni's native residents are Digo and Muslim Those from other parts are invariably Christian "Up-country" Kenyans also gave the opposition an electoral victory in the port city in 1992, and many believe they have been driven out for that reason

Among the favourite targets for attack are bars and clubs On September 5, a gang hacked six Kenyans to death including a child aged two — in a bar at the gates of a tourist hotel

Likoni's streets are almost deserted All but a few businesses are closed On the wall of a paint shop is the ominous graffiti "Three days to go or you die " It is repeated several times along the main road Tens of thousands of people have heeded the warning, packing the ferry to Mombasa and buses to the interior

'They started to beat me. We were crying and shouting. Nobody came to help'

More than 2 000 residents have sought shelter in Likoni's Catholic church, including Emilia who lived in a room with her four children until the attacks started Three weeks ago a gang of men came to the house waving guns, machetes, axes and sticks

"They started to beat me We were crying, we were shouting Nobody came to help," she said The gang looted the house and left, but worse was to come

"Men went to my brother's place around midnight They took him to the lake There were bodies there They told my brother he was going to sleep with the dead He dived into the lake and stayed there all night When he escaped and went to the police, they told him they didn't have any radios and couldn't help "

Emilia's brother disappeared for days until he was found sleeping in a tree, afraid to come down Emilia said he lost his mind and was sent home

"I m ready to leave too If I had the money I would go," she said

After the raid on the police station, the government twice set deadlines for the surrender of the stolen weapons While it failed to persuade the attackers to give up their guns, the deadlines sent a new wave of fear through Likoni, provoking another exodus among residents who feared the dreaded paramilitary General Service Unit would use the hunt for the weapons to launch a round of rapes and beatings

There is growing evidence that far from being a random group of thugs, the attackers are a trained militia

Some in the gangs have called themselves the "Kaya Bombo" (after a forest where local people say they have witnessed groups of young men being given weapons training) There are reports of similar activities around the Similani caves

Mombasa's archbishop, John Njenga, compared the attacks in Likoni to the wave of politically motivated ethnic violence that claimed hundreds of lives in the Rift Valley before the last polls

"I think it is political," he said "I am not saying the government is definitely involved, but I am not exonerating the government The government has to provide security "

Deputy provincial commissioner Hassan Haji is dismissive "These attackers are criminals If it was political it would have targeted only one group It is erroneous to say they've only targeted up-country people Local people have died too," he said

"We don't know what triggered it, it's too premature to say "

Hundreds of people have already been arrested for the attacks, including prominent local activists with Moi's party But it has done nothing to deter further killings

Daniel arap Moi: Denied his party had any hand in the recent violence. PHOTOGRAPH: SACHA J

Moi visited the area to deny his party had any hand in the violence He retains, however, an acute political interest in Likoni, where in 1992 the "up-country" residents provided the winning margin for the opposition's defeat of a government MP

There is more at stake for Moi this time He must win at least 25% of the vote in five provinces to avoid a run-off that would almost certainly cost him power The coastal region will be crucial

The tens of thousands of voters forced out of Likoni have effectively been eradicated from the ballot, because they have left their registered constituency

As the raids continue, even Likoni's Catholic church proved unsafe Two weeks ago, about 25 gunmen attacked the refugees

Charles Okelo was in the church grounds "Some wore police hats and fatigue jackets," he said. "They walked along the street and everybody thought they were police until they got to the gate Then they opened fire "

Two people were killed before the attackers were fought off by policemen guarding the church But it does not make the refugees any less suspicious of the authorities

"The attackers were well-organised because some went to burn bars, some came here and some went shooting about 200m from here," Okelo said "They split themselves into groups during their operations and nobody stopped them Why?"

Bloody prelude to Kenyan elections

(163)

mtG 12-18/9/97

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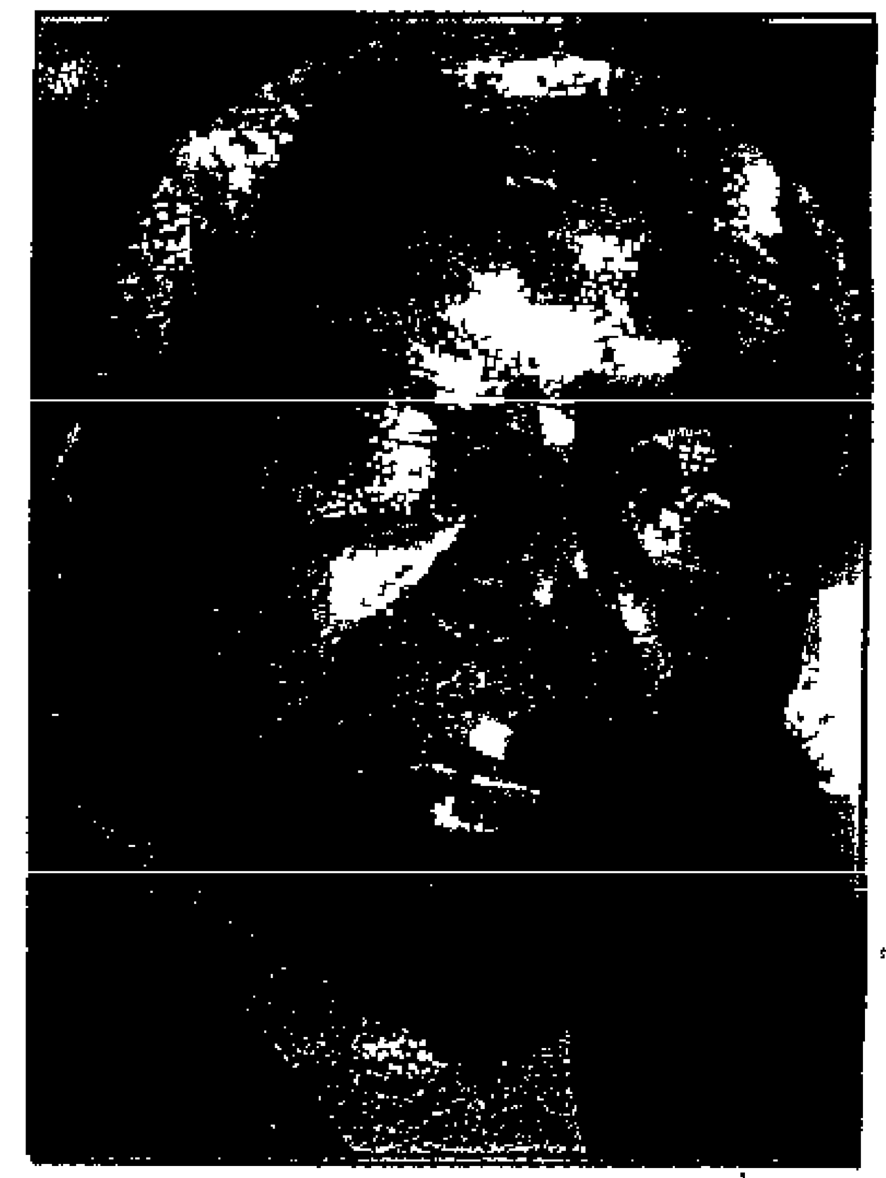

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Kenyan extremists spread reign of terror around Mombasa

By Joe Khamisi
Star Foreign Service

Mombasa – Kenya faces its biggest armed threat to peace and stability in its 34-year history as a group of extremists continues to expand its reign of terror around the palm-fringed, idyllic resort of Mombasa.

By Sunday, the group loosely known as Jeshi la Pwani (Army of the Coastal People) had extended its terrorist activities from the southern and northern tourist resort towns to the northern interior. A dozen business stalls belonging to non-indigenous settlers were burnt down on Saturday.

Yesterday police were rushing security forces to Kaloleni to protect a foreign-owned cement factory with a large component of non-coastal workers after the group warned of an impending attack.

The factory has been at the centre of a dispute with locals who claim its pollutants are endangering lives and killing plants.

The rebels, in their trademark black overcoats and red headbands, are largely targeting security installations and upcountry settlers they accuse of grabbing their land.

The land loss has left the majority of the indigenous Mijikenda tribesmen as squatters.

The attackers are said to have taken traditional oaths to kill upcountry people. They also apparently wear charms to "protect them from bullets".

By last week, an estimated 200 000 people had fled the area.

A fresh exodus of those who remained behind began on Saturday after leaflets written in red ink warned civilians to vacate the area by yesterday.

Star 16/9/97 (163)

potatoes.

THAT'S LIFE

SAB's entry prompts price cuts from Kenya Breweries

ET (BR) 19/9/97 (163)

Joe Khamisi

Dar es Salaam — As competition hotted up for control of the lucrative Kenyan beer market, Kenyan distributors of South Africa's Castle Lager yesterday said they had no intention of engaging in a price war with Kenya Breweries (KBL), which controlled 95 percent of the local market

Last week KBL slashed prices on all its brands after South African Breweries (SAB) introduced three beers into the Kenyan market — Castle, Kilimanjaro and Safari — from its Dar es Salaam plant

"We will not get into a price war with KBL," Joe Wanjau, the general manager of Karume Investments, said yesterday. "But we will produce low-cost brands for the low-income consumers, though not under the Castle brand."

Yesterday KBL installed a new bottling line at Uganda Breweries, its subsidiary Next year, it will open a brewery in Moshi, Tanzania. Meanwhile, Karume Investments is expanding countrywide to get SAB products to remote areas

"We are all set to fight it out in the beer business. That is the only way to tackle competition," Wanjau said. — Independent Foreign Service

Party endorses Moi as presidential candidate

(163) BD 17/9/97

NAIROBI — Kenya's 74-year-old President Daniel arap Moi was endorsed unopposed by the ruling party yesterday as presidential candidate for elections this year which he is expected to win.

"I love you, I love Kenyans," Moi told about 4 000 delegates at a special conference of his ruling Kenya African National Union (Kanu) party after he was proposed as Kanu presidential candidate

"I will continue to serve all Kenyans, even those who did not vote for me (at the last election in 1992)," he said

Moi told the delegates he had suffered "wild criticism" because of his commitment to the peace and economic development of Kenya, an eastern African state of about 29-million people

"From Washington, New York and London, they say anything

"They abuse me, call me a dictator They may soon say that I suffer from AIDS. People have gone to extremes. I can fight back but I do not because I care about Kenyans," Moi told delegates

The national delegates' conference was the first meeting of the party's top policy organ since 1991. Some delegates complained that long overdue party polls, which could have brought major changes ahead of elections, were not held and debate on the issue had been stifled.

The polls should have been held in 1993, but Kanu secretary-general Joseph Kamotho told delegates that party chiefs had agreed they now be held after presidential and parliamentary elections, expected in November or December

"A party that says it supports political reform should agree to some internal reorganisation We should have had an election four years ago and leaders now hold their posts illegally, against party laws That is not acceptable," one delegate said.

Moi, in power since 1978, had already announced he wanted a final five-year term He has yet to name the date of the presidential and party election but Kenya's constitution says they must be held by the end of this year.

Moi is favourite to win the polls, partly because he is likely to face a divided opposition. Opposition parties complain that Kanu, in power since independence in 1963, benefits from its control of state and administrative structures

The only items on the conference agenda were Moi's formal nomination and an acceptance speech by the president. Before the vote choirs sang praise songs to Moi and the party.

Last week, talks between Kanu members of parliament and about half the opposition MPs ended in agreement on a draft of constitutional and social reforms.

The changes included the repeal of laws that allow detention without trial and approved the expansion of Kenya's electoral commission to bring in members nominated by the opposition

They also provide for equal access to state media for the opposition

Moi said he endorsed those changes and Kamotho said the process of turning them into law was likely to start in the Kenyan parliament later yesterday

The radical opposition has rejected the outcome of the talks, saying the proposed changes are cosmetic and will not bring real democracy to Kenya — Reuter

turn

Moi's new reforms fail to impress

(163)

M+G 19-25/9/97

Chris McGreal in Nairobi

Unrest: Kenyans have come into bloody confrontation with police in recent months, forcing President Daniel arap Moi to agree to sweeping reforms. PHOTOGRAPH: SACHA J

It was all so familiar to more sceptical Kenyans. Under pressure from a disgruntled electorate at home and suspicious governments abroad, President Daniel arap Moi appeared to give away the store by agreeing to sweeping reforms before this year's general election.

The government talked of a great moment in Kenya's history. Nairobi's leading opposition newspaper heralded the concessions as promising a bright new future for the country.

Yet it is dawning on many Kenyans that after nearly 20 years in power, Moi is just as likely to remain their president as he ever was. "This says you can have any reforms as long as they don't ensure free elections," said Gibson Kamau Kuria, a constitutional lawyer and leading campaigner for reform.

In practice Moi has cut the ground from under Kenya's badly divided opposition by sacrificing long term advantage for immediate political gain which will help perpetuate his power, just as he did before the last ballot five years ago.

The government has yet to set a date for presidential and parliamentary elections which must be held before the year's end. But Kenya's opposition parties long ago realised that they were too divided to launch an effective campaign to unseat Moi.

A coalition of civic, religious and political interests took up the baton under the umbrella of the National Convention Executive Council. Recognising that Moi was likely to win the election, the council focused on constitutional reform in an attempt to limit his powers.

Kenyans swung their support behind the campaign, taking to the streets in sometimes bloody confrontations with the police. As the drive gained momentum, Moi was forced to act. He refused to deal with the council but the ruling party agreed to talks with the parliamentary opposition. Last week, Moi promised to sweep away archaic colonial sedition laws which have been used for the 34 years since independence to detain without trial, ban meetings and break up protests.

'Moi will only go along with reforms to buy time'

Opposition parties are to have equal access to state radio and television. Banned political parties — most notably Richard Leakey's Safina — are to be legalised, probably by the end of next week.

Opposition nominees are also to be included on Kenya's electoral commission, which was widely considered to have ensured Moi got the necessary spread of votes to win the 1992 general election. Moi also opened the door to including opposition politicians in his Cabinet.

Parliament is expected to approve the reforms next month. Moi's Deputy President, George Saitoti, was effusive. "This is a reform package, a package owned by all political parties. We will be remembered for this in history," he said.

Yet on reflection, Moi appears to have given little ground. Most of the promised reforms will make little difference to the outcome of this year's election. Crucially he has so far staved off pressure to concede on the single issue on which he is most vulnerable.

The council is pressing for an amendment to election laws to ensure that the winning candidate garners at least half the vote. Moi won in 1992 with little more than one-third of the ballot. Opposition leaders want a run-off election between the two candidates who perform best. It could spell disaster for Moi if he were to face a single opponent. Leakey believes it is the one issue on which the Kenyan president will not concede.

"Moi himself believes that reforms are purely a means of getting him out. Three years ago he told me that he would not agree to reforms because it is a way of getting rid of him. He will only go along with reforms to buy time,' Leakey said.

The council dismissed the promised reforms as superficial and said it will press ahead with a general strike next month. Four prominent opposition leaders said they will continue their campaign to disrupt the elections. "We shall make this country ungovernable in order to achieve the resignation of Moi, so that the appropriate and due reforms can be put in place," they said in a statement.

Opposition leaders such as James Orengo are sceptical that the promised reforms will be implemented. "Moi is good at intervening when he's almost been pushed to the wall and coming out with some commitments which, in the end, remain unfulfilled," he said.

Others point out that it is one thing to change the law, another to respect it. The Kenyan government is regularly accused by critics at home and abroad of human rights abuses, particularly torture by the police. But other opposition leaders realise they have probably been outmanoeuvred.

MP Farah Maalim conceded that it will not be easy for the opposition to discredit the reforms and still carry public opinion. "I think we have to be cautious at this point because if we say the changes are rubbish everyone will think that we are insensitive and have lost our heads."

Whatever the opposition's view, Moi has also bought himself time with foreign donors. The British Foreign Office welcomed the promised reforms. They will also help Moi in his wrangle with the International Monetary Fund (IMF) which cut off a £130-million loan in July because of continued corruption and bad governance. The World Bank followed suit by withholding its funds.

Although Moi was initially dismissive, saying the IMF loans did not amount to much, he was forced to respond when the value of the Kenyan currency slipped sharply and his economic advisers warned that the central bank may not be able to meet payments on Kenya's £4-billion foreign debt.

The back-slapping by foreign governments should strengthen Moi's hand with the IMF. However whatever the significance of the promised reforms, they are of scant comfort to those ordinary Kenyans who have fallen victim to an upsurge of politically inspired violence on the coast where more than 60 people have been killed and 100 000 fled their homes.

Kenya's Episcopal Conference has joined victims in accusing the government of a hand in the violence to drive opposition supporters from their homes. "Talk of elections when many are leaving their work, homes and places where they registered to vote, leaves us thinking that these clashes are indeed the evil fruit of sadistic politicians."

SA, Kenyan businessmen to forge links

(1639)
CTBR 19/9/97

JOE KHAMISI

Nairobi — South African businessmen would be in Nairobi next week for a business-to-business exhibition aimed at building partnerships with their Kenyan counterparts, it was learnt yesterday

The two-day event from September 23 will offer the two sides opportunities to discuss joint ventures, agencies and distributorships It is the second such encounter to be organised in Kenya by Sub-Sahara Communications, a South African marketing firm

South African participants will be from the hospitality, manufacturing, telecommunications, agriculture, information technology sectors and the Johannesburg Chamber of Commerce.

Invitations to the exhibition have gone out to hundreds of Kenyan entrepreneurs.

The event follows the first South African trade mission to East Africa last July composed of government officials and large, medium and small business representatives — Independent Foreign Service

Kenya's beer market ferments

(163) ET (BR) 19/9/97

JOE KHAMISI

Dar es Salaam — As competition hots up for control of the lucrative beer market, Kenyan distributors of South Africa's Castle Lager said this week they had no intention of engaging in a price war with Kenya Breweries (KBL), which controls 95 percent of the market

Last week, KBL slashed the prices of all its brands after South African Breweries (SAB) introduced three varieties into the Kenyan market — Castle, Kilimanjaro and Safari — from its Dar es Salaam-based plant

Three years ago, SAB bought substantial shares in Tanzanian breweries That transformed the once poorly managed public company into a money maker

"We will not get into a price war with KBL," said Joe Wanjau, the general manager of Karume Investments "But we will produce low cost brands for the low income consumers, though not under the Castle brand "

In response to SAB's assault on its monopoly, KBL has introduced new brands and lowered prices A 1 billion shilling (about R73 million) bottling plant was commissioned in Nairobi.

Kenya brewer cuts prices and introduces new brands to fight competition from SAB

Earlier this week the company installed a new bottling line at its Uganda Breweries subsidiary Next year, the Kenyan company will open a brewery in Moshi, Tanzania In the meantime, Karume investments is expanding countrywide to get the SAB products to the most remote areas

"We are all set to fight it out in the beer business That is the only way to tackle competition," Wanjau said

There has been unprecedented activity in the beer industry since SAB entered the region Then, a few months ago, it announced that it would build a brewery in Kenya jointly with a local company

A new firm, Sportent, was formed with the SA company holding 51 percent of the shares A local company, Donyo Sabuk, holds 30 percent, with the balance reserved for international participation

Work on the SAB factory is already under way, with production scheduled to start next July — Independent Foreign Service

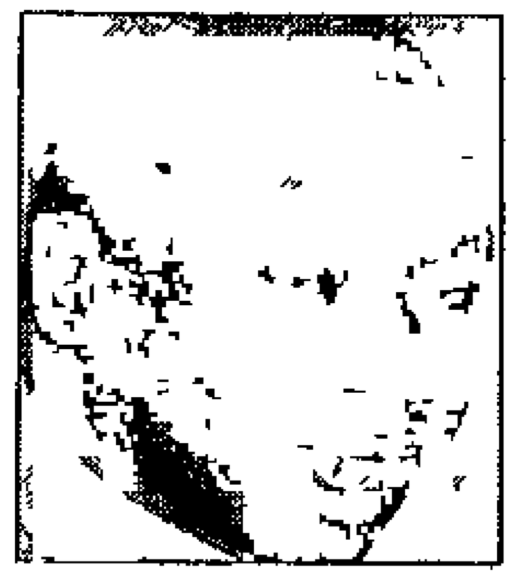
Kenya goes shopping ahead of election

Nairobi – The Kenyan government appears to be on a shopping spree to acquire hi-tech riot control and security equipment Speculation is that this could be in anticipation of chaos during or after the election later this year

The Nairobi weekly, *The People*, reported that a South African company, which it identified as TFM Ltd, had offered to sell to Kenya its RG-12 armoured personnel carriers

TFM's defence division was sold to Reunert Defence last year Wessie Westhuizen, managing director of Reunert Defence, said yesterday that a Kenyan delegation interested in "identifying an agent" to buy equipment from his company had visited SA three months ago Westhuizen said it had been decided not to sell defence equipment to Kenya

The People claims the government had already paid two UK companies for the supply of control tools and equipment Items already allegedly supplied by the British firms include gun-fired teargas grenades, rubber bullets, 12-gauge riot guns, propulsion cartridges for launching grenades and rubber bullets, and adaptors for launching grenades



DANIEL ARAP MOI
Is Kenya buying arms?

An official in the internal security department within the office of the president declined to comment

Kenya has been hit by violent incidents along beach resort areas, with dozens killed in the past month Security personnel continue to comb forests in search of raiders Indigenous tribes are fighting for land they claim has been grabbed by upcountry people President Daniel arap Moi has vowed to quell the violence through dialogue. – Independent Foreign Service

Star 20/9/97 (163)

Mismanagement closes 31 banks

Star 22/9/97

By Chander Mehra

Nairobi

(163)

Thirty-one banks in Kenya have failed in the past 10 years, including two this month, because of mismanagement and corruption. Yet no one has been charged with any bank fraud-related offence.

A Coopers and Lybrand expert said: "A disregard of others is still evident in the banking sector. The get-rich-quick phenomenon seems to be the driving force behind business decisions while political interference has also left its mark."

The expert, Farzana Mangat, added: "A culture which does not consider paying back loans has compounded the problem. And management's accountability to shareholders and depositors is practically non-existent."

She drew attention to the poor quality of directors, lack of professionalism, weak internal controls and excessive concentration of power in one person as the hallmark of some of the weak financial institutions.

About 70% of banking is in the hands of Barclays, Standard Chartered, Kenya Commercial Bank and the National Bank of Kenya.

The 67 other banks compete for the remaining banking business.

The top four also get better-qualified staff. Some 56% of players in banking are rated fair or below on the basis of asset quality because of poor loan policies

As at December 1996, the proportion of loans and advances to total assets of banks was 52%.

Mangat said: "Asset quality is the crux of a bank's success It was rated marginal as the level of non-performing loans rose to $879-million in December 1996 against $572-million in 1995 and averaged 18% of the total advances for the two years."

Inadequate capital base has also contributed to bank failures "Add to this bloated overheads, with high interest rates compounding the woes of honest depositors and borrowers," Mangat said, calling for mergers in the long-term interest of the economy – Star Foreign Service

Corrupt Kenya heads for worst

Star 22/9/97 (163)

Moi holds power through force and duplicity: chance for South Africa to trigger change from its moral high ground, but time is short

By Ross Herbert

If Kenyan law had prevailed in South Africa in 1994, the National Party could have won the presidency

The corruption and inequity of the Kenyan system are, indirectly, the reasons why bands of machete-wielding thugs have killed about 70 people in Mombasa in the past month, burnt hundreds of homes and driven an estimated 100 000 people into internal or external exile Kenya is ready to boil and ripe for a Kabila-style rebellion.

With what seems to be growing foreign policy confidence, President Mandela told participants at the SADC summit in Malawi that it is time for the region to live up to its democratic ideals and perhaps deny benefits to member states flouting the democratic creed. The question for Mandela and SADC is what should be done about Kenya

Before the year is out, President Daniel Arap Moi must hold elections But a wide range of opposition politicians, civil and religious groups have vowed to abstain and incite ongoing civil unrest unless Moi reforms Kenya's constitution

The issue is far from an arcane debate or case of political sour grapes In his 19 years in power, Moi has crafted a corrupt electoral system and is so rigged up with rules favouring the president that it bears no resemblance to democracy as the world understands it

Opposition figures, whether political, civic or religious, cannot demonstrate, hold conventions or make public speeches in Kenya without government approval that is routinely denied Unlicensed rallies are crushed brutally by police.

The government has the power to deny registration of political parties that the president believes are not in the "national interest". Opposition politicians are openly attacked by ruling party thugs and police do not take action

Moi can rule with only a third of the vote because there is no system of run-off elections when no candidate receives a majority of the vote In a mostly illiterate nation, government-run television and radio shamelessly promote the president and deny access to the opposition.

Circumstantial evidence suggests the latest wave of violence is a repeat of Moi's tactics in the 1992 elections, when a wave of tribal violence was whipped up, helping to fracture the opposition, drive voters away from their home districts and cultivate the idea that only Moi was strong enough to hold the country together

No leaders have gone public in the Mombasa violence, although the attackers deliver leaflets and act in highly co-ordinated ways that have effectively evaded police efforts to stop them. The violence was mainly aimed at "upcountry" natives who are thought to support Moi's opponents

Recently, members of the ruling Kanu party in parliament and some of the opposition agreed put to a vote several reforms that would repeal laws allowing detention without trial, grant opposition access to the media and representation on the electoral commission But opponents say the reforms don't go nearly far enough

Some have argued that President Mandela's failure to secure a peace deal in the waning days of Mobutu's Zaire is evidence that his personal reputation does not translate into foreign policy clout and hence South Africa should follow a less interventionist path. In any event the time for intervention in places like Zaire or Burundi or Sudan is not during the last phases of a civil war, but early on when fair elections and brokered deals can still avert war.

Kenya is now at that stage, when South Africa could tip the balance in favour of progress and peace If nothing is done, there is the real danger that violence and civil disorder will continue after the elections War is a strong possibility that could inevitably bring disaster to the region

On the positive side, international forces are coming together to demand reform. The International Monetary Fund, World Bank and a host of foreign donors have refused to extend additional assistance to Kenya until it makes real progress on reform and investigates some of the nation's notorious corruption scandals Since the fighting erupted around Mombasa, the Kenyan shilling plunged against the dollar, the stock market is down and Moi has been trying to mollify his critics

Mandela could intervene in three ways directly pressure Moi by privately and publicly calling for Moi to reform the constitution and electoral system prior to this year's elections, pressure the fractured Kenyan opposition to unify behind a single opposition candidate, and make clear to Moi that South Africa will use its clout with donors and the IMF to ensure no new aid is forthcoming until Moi reforms.

South Africa could also expand its influence by aggressively using the BBC, Voice of America and Channel Africa, the only non-government media that reach the majority of Kenyans By drawing moral parallels between the old SA system of minority rule and Moi's corrupt system, Mandela would invigorate Kenyan public debate and inspire a demoralised public pounded into submission by Moi's police.

Galvanising world support is a tricky business Public pronouncements can backfire by creating greater resistance in a political leader By injecting morality into foreign policy, South Africa runs all the same perils that the United States has run: it can create enemies where none would otherwise exist; it can imperil trade and it can, as in the case of Nigeria, make diplomatic moralists look foolish when other nations refuse to support sanctions.

Making an issue of Kenya also makes for potentially embarrassing contrasts with the former Zaire. Mandela called for the Democratic Republic of Congo to be included in the SADC and has been reluctant to criticise it.

However, staying silent is not cost free. Home to hundreds of foreign journalists, Kenya is, after South Africa, the second-most watched African country.

Every new disaster there spreads instantly to the world, giving the whole continent a bad name.

Once one of the most well-ordered and advanced African nations, Kenya has crumbled under Moi. Corruption and violent street crime have flourished. Infrastructure has disintegrated to the point where electricity must be rationed.

Tourism, Kenya's top foreign exchange earner, has plunged since a spate of international reports began highlighting the country's problems in 1993 The world tourism market, like its stock and currency markets, is brutal and unforgiving

Public relations might help make a positive reputation, but once a negative reputation firmly takes hold it is next to impossible to reverse.

Already Kenya's troubles are affecting travel bookings to neighbouring Uganda and Tanzania.

As Mandela told his SADC peers last week, the time has come for Africa to live up to its ideals. – Star Foreign Service

Bad press led to decline in tourists

TOURIST ARRIVALS TO KENYA

94	95	96
863 400	690 500	545 900

Source Kenya Economic Survey

In 1995, a German tourist, angry over demands for bribes from Kenyan officials, returned home from his vacation and sent a letter to every travel agent and NGO he could find in Germany Within hours, word of the man's experience was posted on the computer screens of travel agents across Europe.

That letter, in conjunction with a spate of international press reports on crime, corruption and ethnic violence, helped drive 1995 tourist arrivals down to their lowest level in seven years When the outbreak of Ebola in Zaire created a rash of tour cancellations, travel agents from Europe were flown to Nairobi to explain that Ebola was not in Kenya. When the media picked up reports of criminals preying on tourists, a 30-man tourist police force was deployed in Mombasa

Despite the Kenyan Association of Tour Operators's efforts, tourist arrivals plunged a further 20% in 1996 and operators say 1997 is a disaster. Hotels around Mombasa report cancellations running at 50% since Mombasa was hit by a wave of seemingly unstoppable ethnic violence last month. One Kenyan newspaper reported the lost bookings cost the country an estimated R47-million in foreign exchange

Kenya has discovered that the world tourism market, like its stock and currency markets, is brutal and unforgiving.
– Star Foreign Service

Star
22/09/91 (163)

All too rare dialogue Kenyan MPs of the ruling Kanu party and opposition members gathered recently for inter-party talks on crucial legal and constitutional reforms

Sowetan 22/9/97

163

Kenyan bandits kill five in raid on lawless district

BANDITS beheaded the bodies of four policemen and a government official after shooting them dead in the notoriously lawless Garissa district of eastern Kenya, local newspapers reported at the weekend

The gangsters also fled with five guns seized from the victims during the attack on Friday

Garissa police commander Alphonse Kalume was quoted as saying that the policemen and the local official were ambushed as they pursued the bandits following a tip-off by residents

The entire eastern and northeastern region of Kenya, which borders on lawless Somalia, has been ravaged by insecurity for decades with armed bands roaming the semi-arid area in search of booty, mainly livestock

Meanwhile, a group of arsonists torched an abandoned house on Friday in the Likoni suburb of Mombasa, which has been deserted since attacks by armed gangs started last month

The attack was apparently an attempt to discourage people from returning to the area following several weeks of calm

Raiders set fire to three churches in Msambweni village, south of Likoni, last week

Armed gangs in Mombasa and areas south of the Indian Ocean port city have killed inhabitants and burned property belonging to members of inland ethnic groups who settled in the region Some 67 people have been killed since the violence erupted on August 13

Locals have blamed the government of President Daniel Arap Moi for the attacks, claiming that driving inland groups out of the area would enhance the chances of Moi's party to win the elections scheduled for later this year

The violence around the tourist town of Mombasa has led to massive cancellations by overseas tourists, who make up the bulk of the billion-rand safari tour trade – *Sapa-AFP-Sowetan*

SAB'S ARRIVAL PUTS KENYA BREWERIES ON THE BEER MARKETING DEFENSIVE

Nairobi — The arrival of South African Breweries (SAB) in the east African market had forced regional leader Kenya Breweries (KB) to expand production and mount a media blitz to defend its 75-year virtual monopoly of the beer market in the region, analysts said yesterday

(163) (~~482~~)

SAB has splashed full-page advertisements in Kenyan newspapers trumpeting Castle as "Africa's best-selling beer". KB has gone the same route in Tanzania, describing itself as the largest beer exporter

CT (BR) 23/9/97

After purchasing a 46 percent stake in Tanzania Breweries in 1995, SAB is building a $45 million beer plant just outside Nairobi The plant is due to start production next July, and Castle is on the product list "As Africa's foremost brewer, it is natural for us to explore a market of the size and strategic importance of Kenya," said Andre Parker, a SAB executive — Reuter

Sowetan 23/9/97 (163)

Muzzling the media

Efforts are afoot to break President Daniel arap Moi's grip on the press and airwaves. Political editor **Mathatha Tsedu** considers the situation.

PRESIDENT DANIEL ARAP MOI sat in his lounge in State House on the evening of July 7 and watched in amazement as the Kenya Television Network news bulletin showed scenes of his policemen beating up demonstrators and bystanders alike

He did not like what he saw, not the police brutality but that KTN, the channel owned by his party, had dared to show the police in such a 'poor light"

Seething, he called his vice president, Professor George Saitot, and the general secretary of his party, the Kenya African National Union (Kanu), Mr Joseph Kamotho

As the trio discussed the bulletin, they were all agreed that the people responsible for the broadcast, KTN News head Vitalis Musebe and his deputy Isaiyah Kabira, had been unpatriotic, had embarrassed the head of state and were intent on showing Kenya as a repressive country

Something needed to be done – and quickly too So a few phone calls were made to KTN chairman Wilson Kibet, who then called general manager Sam Cherutich, who then ordered that the bulletin should not be repeated for the 11pm newscast

That done, the trio at state house deliberated further and decided that the two errant journalists should be put in their place So, at midnight, both Musebe and Kabira were called by their two bosses and told to report to Moi's office at State House at 6 30 the following morning

At the meeting which included Moi, Saitoti, Kamotho and presidential press services head Lee Njiru, the two were accused of embarrassing Moi by showing the footage while there was a summit of regional heads of state in the city

The footage – which shows police pulling workers returning from work out of their transport and beating them up and other cops in the Makongeni area breaking into houses, lobbing teargas canisters and flushing people out and beating them – was dissected and judged substandard and politically motivated by the Moi group

Four men fumed

KTN is a privately owned station which was started by Robert Maxwell but is now owned by Kanu leaders and the party It is their station, it is not the Kenya Broadcasting Corporation (KBC) which is state-owned and state-run How could these two men use Moi's own TV channel to show such things, the four men fumed

The matter was then referred to the KTN board, which includes Kanu bigwigs, and the two men were suspended They remain out of work to date

Musebe and Kabira's experience was a rerun of a similar situation in 1995 when the then KTN editor-in-chief Sydney Quntai was at first demoted and then fired for showing footage of police searching the house of a fugitive MP Kibaki, who had written a supposedly seditious article in a magazine

Quntai told *Sowetan* in Nairobi that the police had been looking for Kibaki for some time When they raided his house and searched under the beds, KTN cameras were on the scene and when the footage was shown Quntai was summoned to State House the following morning and admonished Today he runs a media consultancy in Nairobi

These two cases show the atmosphere in which what is supposed to be private media operates The KBC is supposed to be a public broadcaster but it is known to many in Kenya as the Kanu Broadcasting Corporation, as it grovels to the whims of Moi and his party

Each Sunday afternoon and evening unless Moi is not in town, the first item on both radio and TV news is something like "Today the head of state, his excellency President Arap Moi, attended church

President Daniel arap Moi of Kenya has a firm grip on the local media.

This item is invariably followed by whatever Moi did after church, whatever donations he handed to fundraising events or even donations that were handed on his behalf in his absence, etc

Opposition parties hardly get mentioned in KBC news bulletins and it is this that has led the Inter Parliamentary Parties Group (which includes Kanu members) to recommend that KBC be made to give equal air time to opposition parties during the imminent general elections scheduled for the end of the year

Kanu also owns the *Kenya Times*, a seven day operation with minimal circulation The major papers in Kenya are the *Nation* and *East African Standard*, who do a professional job in covering the issues of the nation

The government uses a number of laws to suppress the media, such as the Public Safety Act which allows for the banning of meetings and detention without trial, the Chiefs Act, which gives chiefs the right to expel journalists from areas under their jurisdiction, and the Official Secrets Act and Restricted Areas Act, which is used to keep the media out of areas where the police and army are conducting what in many instances turns out to be political and ethnic cleansing of areas for the benefit of Kanu

Initiatives under way

A number of initiatives are now under way to force Moi to release his grip on the KBC and repeal the above laws These initiatives include the Media for Democracy project of the International Federation of Journalists, The Media Institute, the Kenya Union of Journalists, the Task Force on the Press, Kenya Professional Journalists Association and the Media Development Association

Together they are producing a list of laws to be repealed and guidelines for the self-regulation of the media to ensure that Musebe's and Kibari's experiences are not repeated

German medics face disease, graft in Kenya

(163) Star 25/9/97

Overcrowded Kenyatta Hospital places heavy load on volunteer doctors in Nairobi's fetid slums

SAPA-DPA
Nairobi

At six o'clock in the morning around 50 patients are sitting in the waiting room hoping for treatment by Dr Wolfgang Schafnitzle, a cardiologist from Pforzheim in southern Germany

The premises are not the sparkling-clean ones the doctor is used to in his native country but part of a sparsely equipped clinic surgery in the slums of Nairobi

Here the doctor does not attend to the typical European ailments of heart troubles, circulatory problems or angina, but diagnoses diarrhoea, weeping abscesses, infection, respiratory illness, malaria and Aids More often than not children are the patients

Schafnitzle voluntarily spends his holidays helping the poor and needy in Third World countries as a member of the "Doctors For the Third World" organisation Yet his is a special mission

A hundred Kenyans are dying each day from Aids

After more than two years of work in war-torn Rwanda, the aid organisation was forced to pull out of the war zone for safety reasons Three members of a neighbouring Spanish aid organisation were attacked and killed

"We want to offer free medical help where it is needed, where it is not usually to be had. But we do not want to place our lives at risk," says Dr Marie Coen, paediatrician and mother of three from Hamburg She heads the organisation that arranges the trips for German doctors and has been on six missions herself.

Schafnitzle is a member of the advance party setting up the project in the run-down areas of Nairobi More than 150 000 people live here in the notorious Mathare Valley area, one of the worst slum areas in Africa

Two-thirds of the city's two million population live in makeshift huts without running water, electricity and no sanitation Sewage flows through open drains between the huts

Excluded from the economic upturn in the country, hundreds of thousands – mostly juveniles – turn to criminal activities in order to make ends meet

Kenya along with Brazil has the most crass contrast between rich and poor of any country in the world

Until now, there has been no medical help in the huge slum areas of Mathare Valley, Kibera, Korogocho, Dandora or Kangemi.

The Kenyatta National Hospital is the only hospital with free medical help in the whole city. It is hopelessly overcrowded and many people who want to see a doctor are obliged to offer bribes

Next to Nigeria and Pakistan, Kenya also has the highest corruption rate in the world.

So Schafnitzle has his hands full both dealing out medical treatment and establishing and equipping the outpatients' clinic

Owing to the lack of drinking water, there is a high rate of diarrhoea, worm infestation and contagious skin infections Prevention is better than healing But the lack of clean water is a major headache.

Help appears to be on the way Recently Father Klaus of the Benedictine order enlisted German aid to embark on a rehabilitation and accommodation programme in Mathare 4a.

Another threat is tropical malaria, which in spite of the high altitude of the town, is on the increase.

But the biggest challenge is Aids Last year more than 100 Kenyans infected with the HIV virus, which can lead to full-blown Aids, died daily.

And the victims are getting younger. Peter Piot, director of the UN anti-Aids programme, says more than half of the new HIV-victims are of school age.

Programme rewards countries with good economic reform records

Kenya unlikely to benefit from joint World Bank-IMF initiative

CT(BR) 25/9/97 (163)

FROM AFP

Nairobi — Kenya would not benefit from a joint initiative of the World Bank and the International Monetary Fund (IMF) to help heavily indebted developing countries because it was able to pay its foreign debts, Rainer Carstens, the IMF representative resident in Nairobi, said this week

Carstens said the Heavily Indebted Poor Countries (HIPC) initiative would be discussed during the IMF-World Bank annual meeting in Hong Kong

"Kenya is not on the preliminary list of HIPC because its external indebtedness is not that bad," he said

"The country is still in a position to service its debts, and this may increase the confidence of investors and donors," Carstens said

The HIPC was endorsed by the two institutions in September last year

Its intention is to reward countries which have a good record in economic reforms by offering them easy debt relief

Carstens said the only countries in Africa considered for the programme were Burkina Faso, Ivory Coast and Uganda

He also said that Bolivia was the only non-African country to benefit from the HIPC

Kenya's external debt up to December last year was estimated to total $6,2 billion

President Daniel arap Moi, the country's president, complained last week that donors were imposing extremely harsh conditions before giving his country aid

Carstens, however, said that the IMF was "only reiterating the conditions of restructuring (Kenya's) economy

"The IMF hopes this recent show of commitment (to economic reform) by the Kenyan government will pave the way for the second Enhanced Structural Adjustment Facility (ESAF) to proceed without a hitch, and that Kenya's economic growth will pick up after the general elections," Carstens said

The IMF suspended a $205 million ESAF for Kenya in July

The organisation accused Nairobi of not doing enough to combat high-level corruption

Tour operators panic as unrest hits coast

Nairobi — Tour operators on Kenya's coast have asked the government for a six-month tax moratorium because violence in the Mombasa region has chased away visitors

An official in the association of hotel and restaurant owners said the situation was "very bad", confirming a report on the requested tax relief in Monday's edition of the weekly East African Standard

The Standard said industry professionals wanted the government to exempt them from paying VAT and electricity and phone bills for six months.

Serious ethnic and political violence broke out around Mombasa last month, apparently linked to upcoming elections, and 67 people have been killed since August 13, according to police. While tourists have not been directly targeted, many have cancelled holidays

Hotel owners have reported a 40 percent drop in clientele and fear their losses could double to $20 million a month unless calm is restored between December and April.

At the beach resort of Malindi, the number of guests has dropped to about 25 percent of capacity from the usual rate of between 80 and 90 percent at this time of year — AFP

Moi makes a comeback with promise of reforms in Kenya

AAG 26/9/97 (163)

STEPHEN BUCKLEY

Nairobi – Only a few weeks ago, the government of President Daniel arap Moi was staggering from a series of political protests that had brought international criticism cascading down on him and his regime

Now, days after a group of ruling party and opposition politicians crafted a package of legal reforms, Mr Moi and his Kenya African National Union (Kanu) appear to have calmed critics and strengthened their position in this year's presidential election

Mr Moi's government, which allowed multiparty politics for the first time in 1993, has been under increasing pressure this year to enact further legal and constitutional reforms

The government agreed earlier this month to repeal or amend 12 laws affecting a range of issues, from the make-up of Kenya's electoral commission to the registering of political parties

Critics of the package of proposals say they will not make for a fairer presidential election this year and do not begin to carve into the president's sweeping constitutional powers But the package of proposed reforms had such a powerful effect on the Kenyan public that the national convention executive committee, which spearheaded the recent demonstrations, cancelled protests it had scheduled for a week ago

"We could not justify (the protests) without explaining" the committee's view of the proposed reforms, said Gibson Kamau Kuria, a critic of the proposals He added· "There was too much confusion about what had really happened "

Some politicians, however, admit that what happened was that Mr Moi shattered the fragile unity his opponents had forged a few months earlier, led by the committee, a collection of human rights activists, clergy and others

The opposition had been prodding the government, through mass protests, to make constitutional and legal reforms before this year's election, which has not yet been scheduled It will be the East African country's second presidential election under a

Back in control: Kenyan President Daniel arap Moi

multiparty political system to which Mr Moi grudgingly acceded in 1993

Paul Muite, an opposition MP and one of Mr Moi's most vociferous critics, said "The government has pulled off, I concede, a major public relations exercise as far as the donor community and the Kenyan public are concerned "

He added "The government had to do something Unfortunately, they have succeeded in splitting the opposition Moi saw that NCEC was a forum that brought the opposition together "

Mr Muite had especially bitter words for Mwai Kibaki, leader of Kenya's Democratic Party, which had several MPs taking part in the negotiations that produced the government's reform package He called Mr Kibaki "naive" and said the Democratic Party chairman's positive interpretation of the negotiations and the reforms was "a very foolish way to look at the process"

Mr Kibaki, who at first said critics of the reform package were "insincere", took a more conciliatory tone as the week progressed

The opposition "has not been split", he said "The fact that we disagree on what has been achieved, and have different interpretations, is not a split "

And he insisted that the government had suffered a public relations setback

"A month ago," he said, "Kanu was saying these laws would be amended after the election

"They have come to accept something they did not agree to do one month ago People are looking at this upside down "

Mr Kibaki, a candidate for president, said detractors of the reform package had forgotten that the opposition was pushing for minimal changes before the election He contended that that was exactly what the opposition got

"By that criteria, a lot has been achieved," he said "Nobody's saying everything has been achieved A lot still has to happen "

The next stage is that the reform proposals will be fashioned into bills But some political analysts worry that the language of the proposals is too murky to lead to measures that will bring meaningful change.

"There's a lot, at first blush, in the reforms, but there's a certain amount of ambiguity in the language," said one Western diplomat

"The key question is how will the attorney-general draft the bills? How will the government implement them?"

Many critics of the reform package accuse the government of agreeing to these proposals simply to mollify foreign donors and the Kenyan public

"The history of this government suggests that many of its (most recent) moves are tactical," said the Western diplomat "They may try to get away with less than what they're promising "

But supporters of the reform package say they will enter the post-election negotiations with their eyes wide open – Washington Post News Service

Kenya's road to disintegration

MtG 26/9–2/10/97 (163)

Chris McGreal in Nairobi

It used to be that Kenya was considered a rock of stability in a sea of despair While all around it conflict raged — from the horrific slaughter in Uganda in the 1970s and the almost forgotten war in Sudan to the horror of Somalia and genocide in Rwanda — Kenya remained relatively tranquil

Even today, the most promising of its neighbours, Uganda, is still afflicted by civil war Yet it is Kenya, under a leader with few friends left, that is looking increasingly isolated in the region Decades of corruption, neglect and oppression are pushing it closer to economic collapse

The fall of President Daniel arap Moi's former Zairean ally, Mobutu Sese Seko, in May has left him looking very much the dinosaur after almost 20 years of authoritarian rule As one of the last of Africa's "big men", Moi continues to lead his country into decline while all around him Africa's former basket cases are making progress

Moi has reason to be unnerved During his rule, rebel armies have seized power in Uganda, Ethiopia, Eritrea, Rwanda and in former Zaire The guerrilla campaigns have invariably been waged to overthrow Africa's tired, abusive old tyrants

Laurent Kabila's victory over the Mobutu regime in renamed Congo has affected Kenyans, notably the young "Mobutu is gone and Moi is next," Nairobi youths chanted at police at a recent demonstration

Few are thinking of civil war For a start, Kenya's army is a very different outfit from Mobutu's But Mobutu's downfall reinforced the feeling that the days of Africa's old leadership are numbered

The real threat to Moi's rule comes from the large numbers of Kenyans who are becoming increasingly discontented as the economy slides

But Moi is also eyeing suspiciously Kenya's neighbours, particularly Ugandan President Yoweri Museveni, who he views as an upstart with Napoleonic ambitions

Uganda's role in the overthrow of Mobutu, on top of its close relationship with the present Rwandan government, has reinforced Moi's suspicions that Museveni has grander plans

Earlier this year, Moi accused Uganda of backing a little-known Kenyan guerrilla group via a local aid agency He alleged a Ugandan Cabinet minister and the head of Ugandan intelligence had met the group's leaders in a small Kenyan town

Moi's critics allege paranoia But Uganda's backing of rebellions in Rwanda and the former Zaire adds credence to Moi's claims

Investors are also backing away from Kenya in favour of its neighbours In contrast to Nairobi, the Ugandan capital has a regular electricity supply, modern telephones and roads which are not potholed

While graft has not been eliminated in Uganda, it is not the way of life it has become in Kenya Tanzania is trying to siphon off Kenya's tourist trade, badly hit by political violence

The International Monetary Fund (IMF) delivered another blow to Kenya last month when it withheld a £130-million loan because of rampant corruption and bad governance It laid down a series of demands for the restoration of the loan

The IMF named 10 powerful individuals it alleged were behind the worst graft It also demanded the reinstatement of Kenya's customs chief, who had tried to break a smuggling ring run by powerful importers close to Moi

Kenya's finance minister agreed to the demands, but Moi decided otherwise He wrote to the IMF accusing it of interference in Kenya's internal affairs Then he confirmed the customs chief's dismissal The IMF cut off the funds

Diplomats see in the IMF's stand global concern that Kenya could slide into conflict and upset progress elsewhere in East and Central Africa

Donor agencies to watch Kenya closely

CT(BR) 26/9/97 (163)

Manoah Esipisu

Nairobi — Kenya's government has taken steps to stabilise its economy in the face of the worst economic turbulence in five years, analysts said this week

But donor agencies warned close monitoring would be required to ensure that the government did not raid core expenditure sectors such as health to finance elections or "political" projects

They also said the government had not taken any measures to combat an expected drought that could cause the worst food crisis since 1992 and did not see from where cash for relief supplies would come

Ethnic and political violence in the country have also affected the tourism industry, with widespread tour cancellations and no new bookings for next year

One leading tour operator said the presidency had finally ordered "genuine action to repair Kenya's image as a tourist destination" and expected an end to the violence

Investment advisers estimate Kenya's losses from the tourist sector at $100 million, in addition to severe ripple effects on the agriculture and transport sectors Last year tourism was Kenya's leading hard-currency earner, bringing in about $465 million

Adding to the country's economic woes, a drought in the last quarter of last year is expected to cut earnings from tea, coffee and horticulture

Kenya will hold presidential and parliamentary elections sometime later this year President Daniel arap Moi and his ruling Kenya African National Union party are firm favourites to win

The International Monetary Fund's (IMF) July 31 decision to halt a $205 million Enhanced Structural Adjustment Facility (Esaf) loan further undermined international investor confidence and battered financial markets

Musalia Mudavadi, Kenya's finance minister, said in Hong Kong that total IMF losses amounted to about $200 million But investment analysts said an additional $250 million held in government securities might also have been withdrawn

Reimer Carstens, the IMF resident representative in Kenya, said an anti-corruption draft bill being debated by parliament and an electricity bill to set up an independent regulator were crucial steps towards opening fresh Esaf negotiations

The regulator is a World Bank condition for a $145 million credit approved in June for the energy sector, but not yet released

Authorities have already created a separate power generation company, leaving distribution to the state utility Kenya Power & Lighting Company Staff for the two companies have already been separated

Carstens said contracts for two independent power producers, which the World Bank said were flawed, had been renegotiated and donor concerns had been addressed

The crunch remained the anti-corruption law The IMF wants an anti-corruption board independent from the attorney-general's office, which, under Kenyan law, can terminate criminal cases Carstens said the IMF would wait for that authority before releasing further funds

Mudavadi said Esaf talks were likely to reopen next year Kenya's gross domestic product is forecast to grow at 4 percent in 1997 Mudavadi said that could be about 3,5 percent, but the IMF and other financial leaders said a 2 to 3 percent estimate was more accurate because of minimal growth in key areas — Reuter

SA business not deterred in Nairobi

CT(BR) 26/9/97

Joe Khamisi (163)

Dar es Salaam — Thirteen representatives from South African manufacturing companies ended a three-day business-to-business exhibition in Nairobi yesterday, and expresssed cautious optimistic about future business prospects while being wary over short-term political uncertainties in Kenya

"The market appears very depressed at the moment because of political reasons," said Bev Vivian of Waco Distributors, the Johannesburg-based electrical manufacturing firm "I doubt this will change any time soon"

He said reports of political violence were scaring away investors and high interest rates were restricting imports Presently, commercial banks in Kenya charge upwards of 25 percent in interest on borrowed money

But Jeremy Brown of DewMap Trading did not think the temporary unfavourable conditions should worry investors "What is happening in Kenya happens in many other countries, and I am not unduly worried about investing here," he said

Mombasa was rocked recently by ethnic violence in which more than 60 people were killed Thousands remain displaced The violence, coming close to general elections scheduled before the end of the year, has disturbed the tourism industry and knocked investor confidence

The South African businessmen presented their products to Kenyan importers in an effort to build partnerships and encourage joint ventures, agency and distributorship arrangements — Independent Foreign Service

BUSINESS

SA and Kenya to weed out thorny trade issues

(163) CT (BR) 29/9/97

JOE KHAMISI

Dar es Salaam — South Africa and Kenya would hold talks "quite soon" to discuss some thorny trade issues blamed for hindering the growth of commercial ties between the two countries, said a member of the South African high commission in Nairobi last week

The talks would hinge on areas of concern to the two countries tariffs, subsidies and market access, and two draft agreements relating to double taxation and investment protection, said W Obermeyer, a spokesman for the high commission

The talks became necessary after Kenya complained in July of an uneven playing ground in trade matters They claimed South Africa was restricting Kenyan goods from entering the country and that subsidies given to South African manufacturers were pricing Kenyan goods out of the local market

'Kenya complained of an uneven playing ground in trade matters.'

Obermeyer said a bilateral mechanism was being worked out to provide a forum for ironing out the differences through talks, to be held either in Nairobi or Pretoria

"We have sent South African tariff scales to Kenyan trade authorities to study because we do not believe they have the correct tariff percentages, a factor that may be causing a misunderstanding," he said

Two standard agreements on double taxation and investment protection were also supplied to Nairobi two months ago for study and comment

South Africa has a strong trade advantage over Kenya, even though exports from the east African country grew by 300 percent last year South Africa exported to Kenya goods worth 12 billion Kenyan shillings (R907 million), while Kenyan sales to South Africa amounted to only 2,5 billion Kenyan shillings — Independent Foreign Service

Kenya moves on Aids scourge

Star 1/10/97 (163)

At least 280 000 people between 15 and 39 have died of the disease since 1984 – and the number is expected to increase to 1 million by the year 2000

Sapa-IPS
Nairobi

Widespread concern in Nairobi that Kenya is heading towards an Aids storm has prompted the government to formulate a long-term strategy to deal with a scourge that has already killed nearly a quarter of a million young Kenyans.

New ministry of health figures show Aids has claimed the lives of about 230 000 Kenyans between 15 and 39 years since 1984 and will have killed about 1-million by 2000.

The human immuno-deficiency virus (HIV), which causes Aids, has so far infected up to 1,3-million Kenyans, Assistant Health Minister Basil Criticos said when he tabled a bill aimed at tackling the disease – the government's first official acknowledgement of the magnitude of the scourge, "some did not even know that they carry the virus", he said.

The bill, which was adopted in September, calls for a concerted campaign to change society's attitudes towards casual sex and proposes that anyone who intentionally infects another with the killer virus be found guilty of manslaughter.

But some legislators argue the bill does not go far enough to address the problems that encourage the spread of the killer disease, including polygamy, a common practice in Kenya.

One parliamentarian even demanded that the paper include the castration of male adults who defiled young girls, as part of a policy to stop the spread of the disease.

Beyond the moral considerations such proposals arouse, they reflect a growing awareness of the threat. The National Aids/STD Control Programme (NASCP) has warned that unless Kenya comes up with a comprehensive set of interventions, 10% of its adults could be HIV-positive by 2000.

It estimates about 300 000 Kenyan children under 15 have already lost their mothers to Aids. This number is projected to reach nearly 600 000 by the year 2000 and 1 million by 2005.

"Some Kenyan households are being led by children as young as 10 to 12. In other families, the entire structure has fallen apart, leaving orphans homeless on the streets, themselves vulnerable to HIV infection," said a recent joint report by NASCP and the US-based Family Health International.

The report said the extended family in Kenya had traditionally fostered orphaned children, but the high incidence of HIV/Aids and the growing number of Aids orphans had already overwhelmed traditional care structures.

Unless Kenya moved fast, the virus would deal a severe blow to its economy. One in seven workers in Nairobi is infected with HIV and projections are that the rate will climb to one in four by 2000.

Kenya, Tanzania, Zambia, Uganda, Botswana, Zimbabwe and Côte d'Ivoire have the worst HIV infection rates in subSaharan Africa.

The UN World Health Organisation (WHO) estimates there are more than 20 million HIV infections in the world – 18,5 million adults and 1,5 million children. In subSaharan Africa, 13 million carry the virus.

BD 2/10/97

Kenya hit by teacher strike

(163)

NAIROBI — More than 200 000 school teachers in Kenya went on an indefinite countrywide strike yesterday to demand pay rises ranging from 150 to 200%, trade union officials said.

The teachers have refused to accept a 10% to 28% salary increase announced by government early last month, instead demanding the full implementation of recommendations made by a government committee set up to review teachers' remuneration

Kenya National Union of Teachers vice-chairman Joseph Chirchir told reporters that teachers would strike until their demands were fully met But government has said it cannot afford to pay higher salaries because of budgetary constraints — Sapa-AFP.

Kenya rejects bid to register party

CT 7/10/97

(163)

NAIROBI. Conservationist Dr Richard Leakey is to appeal to the Kenyan attorney-general against a government refusal to register his 27-month-old political party Safina (Swahili for Noah's Ark).

A letter sent to Safina by Registrar of Societies Mr Omondi Mbago said: "It appears to me that the society has among its objects, or is likely to pursue or to be used for, any unlawful purpose or any purpose prejudicial to, or incompatible with, peace, welfare and good order in Kenya "

Mbago added that the name of the party was "undesirable", but did not elaborate.

Leakey, a third-generation white Kenyan, said the wording of that letter was drawn from a 1948 British colonial law enacted to clamp down on freedom fighters

"The Kanu (ruling Kenya African National Union party) government wants to continue in power, retaining the status quo, and knows that Safina enjoys countrywide respect and support," Leakey said

General elections are expected before the end of the year

Leakey said the decision not to legalise Safina was preceded by "a campaign of vilification, much of it racist and tribal", by President Daniel arap Moi

Moi has frequently attacked Leakey in public, describing the former head of Kenya's wildlife service as a "colonialist", since he ventured into opposition politics

The Safina ban is despite a constitutional reform agreement between Kanu and opposition MPs to register all political parties whose application documents have been gathering dust at the registrar's office

"Let nobody be fooled by the claims that there is a change in Kenya," Leakey said — Sapa-AFP

Kenyan govt says no to Leakey's party

(163) BD 7/10/97

NAIROBI — Kenyan authorities had refused yesterday to register a political party created by white conservationist Richard Leakey, saying the group was likely to promote actions "prejudicial to peace", Leakey said

Leakey and his opposition colleagues applied for registration of Safina, the Swahili word for Noah's Ark, after the party was formed 27 months ago

The palaeontologist immediately rejected the government's decision and said Safina would launch an appeal to the attorney-general's office

A letter sent to Safina by registrar of societies Omondi Mbago said. "It appears to me that the society has among its objects or is likely to pursue or to be used for, any unlawful purpose or any purpose prejudicial to or incompatible with peace, welfare and good order in Kenya"

Mbago also said the name of the party was "undesirable", but did not elaborate.

Leakey, a third-generation white Kenyan, said the wording of that letter was drawn from a 1948 British colonial law enacted to clamp down on freedom-fighters. "The Kanu (the ruling Kenya African National Union Party) government wants to continue in power, retaining the status quo, and they know that Safina enjoys countrywide respect and support The Kanu clique dare not face Safina in a fair contest, and not being quite sure of their ability to rig every province, Kanu prefers no contest at all with Safina," Leakey said.

Leakey said the decision not to legalise Safina was preceded by "a campaign of vilification, much of it racist and tribal," by President Daniel arap Moi

The president has frequently attacked Leakey in public, describing the former head of Kenya's wildlife service as a "colonialist", since he ventured into opposition politics

The decision not to register Safina comes despite an agreement on constitutional reform reached between Kanu and a group of opposition members of parliament, which guarantees that all political parties will be registered General elections are expected before the end of the year — Sapa-AFP

Scams costing Kenya billions, says opposition

BD 7/10/97 (163)

NAIROBI — A Kenyan opposition leader has compiled a list of financial scams through which, he charged, more than 140-billion Kenyan shillings had been stolen from the state since 1990.

That money is worth more than $2,4bn at a rate of 58 Kenyan shillings to the dollar. It amounts to about a third of the east African nation's external debt, which was $7,3bn in 1994

Kenneth Matiba, leader of the opposition Forum for Restoration of Multiparty Democracy in Kenya, made the allegation in a two-page document entitled "Financial scandals theft of public funds 1990-1997", a copy of which was made available to the press. His list, which includes top government officials and business people, reads like a "Who's Who" in Kenya.

Matiba, who is also a multimillionaire businessman, said the money stolen would have been enough to give each of Kenya's 700 000 public servants an additional 3 000 shillings a month for more than five years. "Our teachers should have been earning double what they are earning now "

Matiba said the state-employed teachers, who began an indefinite strike last Wednesday to demand a pay increase, would not have resorted to industrial action if the government had invested in the public service.

Matiba's list came just about two months after the International Monetary Fund (IMF) halted a crucial $215m aid package to Kenya on July 30, accusing the government of President Daniel arap Moi of not doing enough to combat corruption in high places.

The IMF was followed by the European Union which, on September 19, withheld an aid package to Kenya It said it would disburse the money only after the Moi government cleaned up its act. — Sapa-IPS.

Kenyan police beat up and arrest MPs at rally called to snub arap Moi

(163) ARG 11/10/97

Nairobi – Kenyan police beat up and arrested several MPs while dispersing a rally called to disrupt celebrations marking President Daniel arap Moi's 19 years in office

Witnesses said yesterday MPs Paul Muite, Oloo Ogeka, Henry Ruhiu and Benjamin Ndumbai were thoroughly beaten before being arrested along with about a dozen aides Other MPs managed to evade arrest.

Witnesses said Mr Muite, also a human rights activist, was being treated at a Nairobi hospital.

"He is in bad shape The beating was extremely brutal," his colleague Robert Shaw said.

Police units later stormed a shanty dwelling near Kamukunji, on the outskirts of Nairobi, in pursuit of stone-throwing youths angered by the disruption of the reform rally

Reporters at the scene saw police firing rounds of teargas into the Shauri Moyo estate and Ziwani, which adjoin Kamukunji.

Kamukunji – the venue for the rally called by the reform lobby National Convention Executive Council (NCEC) – was itself sealed off by heavily-armed police units

Police whipped and clubbed hundreds of people who had turned up for the rally outlawed by Mr Moi's government, the witnesses said.

Many were injured, but that did not stop police from arresting them and bundling them into waiting police trucks In other incidents in the townships, plain clothes police dragged youths from their homes and ordered them to run towards police trucks parked nearby Some were boxed and slapped.

"That is freedom for you People are being mercilessly beaten after being dragged from their homes. How can you then say this government wants reforms?" asked James Orengo, deputy leader of the opposition in parliament.

Mr Orengo was also whipped, but not detained. In the city centre, police deployed patrols while Mr Moi, 73, addressed a rally and reviewed a military parade to mark his years in power The veteran leader made no mention of the reform rally and instead boasted that his East African nation was moving forward towards a new political order

"Kenya is today moving forward towards a new political and economic order However, as we seek to make changes in our governing institutions let us do so with a sober mind," he told the 10 000-strong crowd – Reuters

Don't do what we did, Kenya will tell eco-tourism summit

ARG 11/10/97 (163)

Nairobi – Kenya will get a unique opportunity to showcase its vast wildlife conservation potential when experts from 16 countries, including South Africa, gather here later this month for an international eco-tourism conference

The four-day Eco-Tourism Society event, starting on October 27, will be followed by field seminars

Dr J H Grobler of the Natal Environmental and Development Parks Board will join other experts from Zimbabwe, Namibia, Uganda, Tanzania, Botswana, the USA and Europe in discussions on how ecotourism can be used as an important tool of wildlife conservation.

Kenya is considered one of the countries in greatest danger of ecological destruction that may ruin its rich tourism heritage.

Dr David Western, director of the Kenya Wildlife Service which is sponsoring the conference, says action is being taken to correct the situation

"Today Kenya is better known for its tourism gone wrong," he says.

"This conjures up visions of minibus congestion around lions, harassment of cheetahs, mindless destruction of habitat due to unregulated off-road driving, lodge congestion in parks and coral reef destruction by rapacious tourists

"Kenya is developing new and innovative approaches that will put it back at centre stage of the ecotourism map" – Independent Foreign Service

Moi's generosity may be rued by exchequer

BD 14/10/97 (163)

Increased salaries for teachers after a potentially explosive strike could swallow more than half of Kenya's tax revenue, writes Louise Tunbridge in Nairobi

MILLIONS of Kenyan schoolchildren returned to the classroom yesterday after 11 days at home as President Daniel arap Moi stepped in to end a national teachers' strike.

In a gracious gesture, surprising in light of the earlier acrimonious exchanges between teachers and government officials, Moi said he was "happy" to grant the teachers their demands. Teachers can now expect pay rises of between 150% and 200%, phased in over five years in line with recommendations made by the Teachers' Service Remuneration Committee and approved by the education ministry.

A primary school teacher on the lowest scale currently earns as little as 1 880 shillings a month (about $33) while the highest paid is on 19 115 shillings ($320).

At a ceremony at State House in Nakuru, given the prime spot on state television news, Kenya National Union of Teachers secretary-general Ambrose Adongo led union officials in a delivery of "Asante Sana" (thank you). Praising his love of children, Adongo pledged allegiance on behalf of his members to Moi and his government.

However, while the 240 000 teachers who participated in the countrywide strike may well feel jubilant at their victory, it is no secret that the government simply cannot afford to meet its promise.

Few economists would envy the job of trying to juggle with the figures to ensure that the paltry sum remaining in the national treasury stretches to accommodate the president's more than generous award.

Prior to Moi's personal intervention in the dispute, the defiant teachers were threatened first with dismissal and then with legal action by pugnacious Education Minister Joseph Kamotho who, allied with Labour Minister Philip Masinde, attempted to browbeat the strikers into submission. The government took full-page advertisements in local newspapers illustrating the severe constraints on the budget. Pie charts showed that teachers' salaries already accounted for one-sixth (about $3bn) of the country's total expenditure. If the 150%-200% increments were given, teachers' pay would eat up more than half Kenya's total tax revenue.

Most government ministries, including education, have long overspent their budgets. An aid freeze imposed by the International Monetary Fund and World Bank in July because of concerns over high-level corruption has further tightened the financial squeeze.

Investor confidence has been shaken by a recent spate of political violence in Nairobi and at the Indian Ocean resort town of Mombasa. Since August, foreigners have sold off shares in local companies on the Nairobi Stock Exchange and ditched Kenyan government bonds. Inflation is on the increase and prices have soared.

In the past few months, large pay awards have been given to police officers and staff in the National Youth Service and to air traffic controllers who went on strike in August. With general elections expected this year, and regardless of the shaky state of the nation's finances, Moi and his government are keen to make friends rather than enemies.

Economically sound or not, giving in to the teachers' demands was a political decision that defused a dangerously tense confrontation and probably won some votes.

Short-term expediency has been the trademark of this government for many years.

When he approved recommendations for teachers' pay rises back in July, Kamotho presumably did not foresee that the consequences of his action, aimed at deflecting an irritating problem, would catch up with him so quickly.

Kenya's foreign creditors frequently complain about the government's inconsistency in applying the rigorous management and accounting procedures necessary to keep the books balanced.

A report by the parliamentary public investment committee released this month revealed many financial irregularities in the operations of state corporations.

It pointed out that no action had been taken by the government to implement recommendations made in earlier reports, and that none of the government officers named as responsible for financial misdemeanours had been prosecuted.

Kenyans and observers remark that recent budgetary constraints have not deterred the government from such lavish purchases as a new presidential jet and the building of a third international airport near the president's home in the Rift Valley.

Parents will no doubt be glad to have their children back in school, but many now fear that the cost of resolving the teachers' strike may be passed on to them.

While Kenya boasts officially of free basic education, most ordinary families are burdened with a variety of school fees disguised as contributions to building, furniture, activities or development funds.

When the first increased teachers' salaries fall due, parents may indeed feel the brunt. In agreeing to the teachers' demands, the government now also runs the risk of facing clamours from other poorly paid public servants, most of whom find that their meagre pay packets and housing allowances have not kept pace with inflation.

In the agreement with the World Bank, Kenya has agreed to scale down its bloated public service, one of the biggest drains on public resources, initially through voluntary redundancies and nonrenewal of posts following retirement. But there is little expectation that any move will be made to breathe life into such a potentially unpopular scheme in an election year.

Striking teachers protest outside parliament in Nairobi last week Picture: AP

Data from the country's treasury and central bank suggests a recession lies ahead of the parliamentary and presidential elections

Warning that tougher economic times are ahead for Kenya

(163) CT(BR)

MANOAH ESIPISU

Nairobi — Data issued by the Treasury and Central Bank of Kenya this week confirmed economic recession ahead of a general election and Kenyans must brace themselves for tough times, market analysts said yesterday

The finance ministry said in its quarterly budget review that the government ran an overall budget deficit of 2,1 percent of GDP in 1996/97 against an initial target of 1,3 percent.

It blamed the larger-than-expected deficit on a slowing economy which produced a shortfall in revenue collection of 6,242 million Kenyan shillings (R471 458), or 1,1 percent of GDP.

Growth slowed to an estimated 4,6 percent last year against a projected 5,5 percent, the ministry said. The "poor economic performance continued into the first half of 1997"

A leading financial analyst who declined to be identified said· "These figures represent rising government needs against a static revenue base and tight control over government ability to borrow its way to finance expenditure"

But the analyst said it was not easy for governments in countries such as Kenya to cut spending, because these governments were the motor of most other economic activities.

Charles Gardner, resident representative of the Eastern Africa Association that groups mainly British companies, said businesses faced tough times because high interest rates made costs very high and consumers had no money to meet adjusted prices

A way forward was to reach an early agreement with the International Monetary Fund (IMF) on the resumption of a $205 million three-year aid package halted in July to back IMF complaints of graft and governance problems in Kenya, he said

Investment cash will only return if the elections are peaceful

The central bank said on Tuesday the economic effects of the IMF aid decision emerged more strongly last month.

It said inflation rose to 8,8 percent year-on-year in September from August's 7,7 percent. On an underlying basis, excluding food prices, inflation was 6,8 percent in the year to September, up from 5,7 percent in August.

The IMF action sent the shilling to a fall of 25 percent in August The weakness of the shilling and tight domestic money market conditions put upward pressure on interest rates last month The state also raised taxes to plug the revenue gap

The central bank said the average interest rate on the 91-day Treasury-bills rose to 26 percent from August's 19,7 percent, while inter-bank rates averaged 24,1 percent against 17,6 percent in August.

16/10/97

On Tuesday Musalia Mudavadi, the finance minister, said the government's shareholding of 60 percent in Kenya Commercial Bank would be slashed by 25 percent before the end of the 1997/98 financial year.

Mudavadi's statement came after the government agreed to pay massive increases in teachers' salaries in the wake of a 12-day strike from October 1 that paralysed the education system

Violence on the Kenyan coast, where at least 65 people were killed in August and last month, undermined the tourism industry — Kenya's leading hard currency earner — and increased pressure on government finances, investment analysts said

They said political uncertainty ahead of presidential and parliamentary elections later this year had made investors nervous and it was certain that investment cash would only return if the elections were peacefully held. — Reuter

Aid agency takes swipe at Kenya

(163)

Nairobi – British aid agency ActionAid's blistering attack on Kenya for its atrocious human rights record has left Nairobi outwardly unmoved.

However, insiders said State House was worried because "ActionAid enjoys widespread support from almost all global lenders and donors whose decisions are likely to be greatly influenced by the agency's annual report, The Reality of Aid".

A World Bank source said: "We are assessing ActionAid's grouses and conclusions."

ActionAid questions whether Kenya deserves continued donor aid without "much better governance". – Star Foreign Service

Star 16/10/97.

Police fire teargas to break up Kenyan rally

(163) Star 20/10/97

Nyahururu, Kenya – Kenyan riot police fired volleys of teargas shells yesterday to disperse hundreds of people gathering for an opposition rally in Nyahururu, 175km north-west of Nairobi

They also set up roadblocks on the two roads leading into Nyahururu, an AFP correspondent on the spot reported.

The rally, called by the broad-based National Council Executive Committee, was declared illegal by local authorities despite a recent promise by President Daniel arap Moi that such meetings would be allowed

That pledge followed political violence which has cost more than 75 lives since July and led to the displacement of tens of thousands of people from the Indian Ocean coast

"This meeting is illegal so far as we are concerned," the police commander told opposition leaders as they tried to make their way to Nyahururu's Kamukunji grounds, where a small rally was already being staged by the ruling Kenya African National Union.

Onyongo Midika, a leader of the opposition grouping and a former member of parliament retorted: "You are behaving like the South African police before (President Nelson) Mandela."

In July, riot police in Nairobi and other towns opened fire with live bullets at opposition rallies and stormed into Nairobi's Anglican cathedral. That brought protests from foreign embassies in Kenya

The rallies are part of demands for constitutional reforms to dilute presidential power before elections expected near the end of the year. – AFP

ERIC GAILLARD / REUTERS

try to the plenary ses-

Pay hikes in Kenya, but no poll date

(163)

Nairobi – President Daniel arap Moi prolonged the guessing game about the date of Kenya's elections yesterday, but ordered a 10% pay increase for civil servants and police.

In a speech in the capital, Moi said the increases for civil servants, police and prison officers, in addition to an interim increase earlier this year, would be paid next month.

He said the 10% would correct anomalies in public sector salaries since 200 000 teachers won much larger awards after a 10-day strike this month.

Moi has yet to announce the date of presidential and parliamentary elections which, according to the constitution, must be held this year.

He is expected to dissolve parliament ahead of the polls as soon as two bills endorsing political and constitutional reforms are enacted.

About 10 000 people gathered for Moi's speech in Freedom Park. He told them he was prevented from stepping into retirement because Kenyans were still not unified.

Reflecting on the country's progress since 1963, Moi said two vices – corruption and tribalism – had to be eradicated.

"From today, I appeal to all Kenyans to join me in declaring war on corruption and tribalism. I caution all those who seek to continue engaging in corruption to stop forthwith." – Reuters

Star 21/10/97

Kenyan police crush reformers

BD 21/10/97 (163)

KENYA — Police unleashed a cloud of tear gas and swung clubs in the coffee-growing town of Nyeri yesterday, choking and scattering hundreds of prodemocracy demonstrators as the nation honoured its independence fighters.

Eight reformists, including two legislators, were arrested and two others were hurt after police swooped on hundreds of reformists gathered to plant a tree in memory of Dedan Kimathi, an independence fighter who was captured and hanged by the British in 1957.

"The basic reason for our visiting this place was not political, but just to plant a tree to remember the heroes of our country," said Kivutha Kibwana, a spokesman for the National Conventional Assembly, which has lobbied for democratic change.

On Sunday, police violently broke up an antigovernment rally in the farming town of Nyahururu, 150km northwest of the capital.

Police have used violence to break up all but one proreform rally this year, earning President Daniel arap Moi worldwide condemnation.

The reformists boycotted festivities in Nairobi for Kenyatta Day, a holiday named after the East African country's first president, the late Jomo Kenyatta.

The reformists are demanding the repeal of laws dating from colonial rule which they believe will give Moi an edge in elections. Their battle cry is, "No elections, no reforms."

Moi, 74, has ruled Kenya for 19 years and is seeking a fifth, five-year term. A date for the vote has not been announced.

In Nairobi, Moi told hundreds of guests invited to Uhuru Park that the government would "not hesitate to take action against anyone who dares to interfere with the electoral process".

Any attempt to deny Kenyans the right to vote was "not only a gross violation of their constitutional rights, but also a lack of appreciation for the great sacrifice that Kenyans paid for freedom", he said — Sapa-AP.

Engen enters buyout talks with Kenyans

CT (BR) 23/10/97 (163)

JOE KHAMISI

Dar es Salaam — Engen, the South African petroleum company, has entered into buy-out negotiations with several oil firms in Kenya as part of its expansion programme in the region

John Slee, the managing director of Engen Kenya, said "We expect to conclude these negotiations before the end of next year when we will be launching fully into the market."

A few weeks ago, Slee announced that Engen had allocated $60 million for a marketing plan in sub-Saharan Africa in the next three years

Part of the sum would be used to open petrol stations.

In Kenya, Engen has an uphill task to penetrate a $1 billion market dominated by European and American oil leaders including Shell, Mobil, Agip and Esso

Engen entered Kenya three years ago but its expansion has been slowed down because of market forces

Slee said there were two factors inhibiting expansion These were the huge capital outlay required to open retail outlets, and the fact that Engen was restricted by the high cost of open land spaces for construction of petrol stations especially within Nairobi and Mombasa

So far, it has been focusing on lubricants, petrochemicals and bitumen — Independent Foreign Service

Moi threatens to clamp down ahead of election

(163)

Own Correspondent

BD 24/10/97

NAIROBI — Kenyan President Daniel arap Moi says he will clamp down on anyone seeking to destabilise the nation in the run-up to elections, amid signs that tourism, fundamental to the economy, has fallen

The stench of tear gas has become familiar in many urban areas as troops fight demonstrators seeking the repeal of electoral laws that they say give Moi a free hand to extend his 19-year rule

Riot police have been regularly used in Nairobi and other towns since prodemocracy campaigners began a series of protests, in which at least 12 people died, earlier this year

The growing violence has had a devastating affect on the nation's tourist industry. European tourists have stayed away from the country's beaches and game parks, leaving tour operators to face their bleakest season yet

Worst hit are the resorts along the white sands of Mombasa on the Indian Ocean. A spate of terror unleashed in August left 50 Kenyans dead

While no foreigners were killed or injured, tourists were evacuated from hotels near the centre of unrest on the Shelly, Ukunda and Diani beaches

Responding to the drop in demand, charter flights into Mombasa are cutting their capacity by more than half from the beginning of next month In Malindi, a nearby resort favoured by Italians, three-quarters of all charters have been cancelled

The tourist industry estimates that 90% of hotel trade in the area during the coming high season depends on such charters, mainly from Germany, the UK and Italy —

Over 130 killed in cholera outbreak, medics on high alert

(163) ARG 27/10/97

A cholera outbreak in Kenya's Nyanza province has killed more than 130 people in the past three months with 10 dying in just three days last week

Medical staff are on high alert and the health department has launched a campaign to contain the outbreak

Andrew Jamieson of British Airways Travel Clinics said the risk of travellers getting the disease was low It was prevented by practising food and water hygiene Vaccination was of little value – Health Reporter

Brutality blamed for massive fall in Kenyan tourist trade

Mombasa – The number of tourists visiting Kenya's Indian Ocean coast has fallen by 70%, a tourist authority said yesterday, blaming police brutality for scaring them off.

Despite offers of cheap rates, tourism has fallen, said Najib Balala, chief of the Mombasa and Coast Tourist Association.

Tourism officials visited Europe last week to try to repair damage to the country's image. Tourism is Kenya's main foreign currency earner.

President Daniel arap Moi last week ordered police to stop attacking peaceful protesters.

Violence broke out in May, when the government balked at making democratic reforms. Police killed more than a dozen demonstrators in July and August in violent scenes that were reported around the world.

Nearly 70 were killed in political violence on the Indian Ocean coast in August and September.

Although no foreigners were hurt, tourists cancelled reservations in massive numbers. Few reservations are coming in for December to April, normally a peak period.

Recent floods have added to woes on the coast – Sapa-AP

Star 30/10/97 (163)

BUSINESS

IMF maintains its hard line on aid to Kenya

(163)

FROM AFP

Nairobi — The International Monetary Fund (IMF) would resume a suspended enhanced structural adjustment facility (Esaf) arrangement with Kenya only when government implements bold economic reforms, the IMF representative said yesterday

On July 31 the IMF suspended a $205 million Esaf arrangement with the government on the grounds of poor governance and high-level corruption

Reimer Carstens, the resident IMF representative, said in spite of recent assurances by president Daniel arap Moi of his government's commitment to stamping out corruption, the Esaf programme would resume only after all economic reform proposals had been enacted

In late August, the IMF held discussions with the government to address the areas of concern which had led to the suspension and stipulated necessary political and economic reforms

Moi had promised that an anti-corruption authority would be established as soon as the appropriate enabling bill was passed in parliament

The IMF representative was categorical that corruption must be addressed

"Corruption erodes the moral fabric of every society, violates the social and economic rights of the poor and vulnerable and subverts the rule of law which is the basis of every civilised society," Carstens said

He added that non-governmental organisations (NGOs) in Kenya were playing a leading role in educating Kenyans on the need to stamp out corruption

Last week, NGOs in Nairobi organised a workshop on corruption and consolidation of democracy which drew participants from all over Africa

Case studies on the level of corruption in African countries highlighted the nature and scale of the problem across the continent

ET (BR) 30/10/97

Kenya Reinsurance privatisation set for first quarter of next year

(163) BD 30/10/97

NAIROBI — The privatisation of Kenya Reinsurance Corporation was moving ahead, but the sale of the parastatal was not likely until the first quarter of next year, a Kenyan privatisation unit official said yesterday.

A parliamentary bill transforming the parastatal into a private entity was given the assent of President Daniel arap Moi on October 1, the official said.

The next step is for Finance Minister Musalia Mudavadi to set down a date for the bill to be enacted, at which point the company will move forward with its privatisation

The official said 75%-80% of the work had been done

"We had been looking at the end of this year but I think a few things took a bit longer than anticipated," he said

"We should be looking at the first quarter of next year "

Kenya Reinsurance Corporation is currently 100% government-owned

Some part will probably be sold to a strategic investor, a portion floated on the Nairobi Stock Exchange and a further part retained by the government, the official said

Share capital

In its last published company report, for 1995, Kenya Reinsurance showed share capital of 280-million shillings, although this was to have been increased prior to privatisation

Net assets — total paid up share capital and reserves — stood at 1,4-billion shillings, with pre-tax profits of 116-million shillings in 1995

The company's investments were chiefly split between government securities and real estate, the report said

Reports for 1996 and 1997 are currently being prepared, the company said

Barclays Merchant Bank, part of Barclays Kenya, is handling the privatisation.

Earlier this month, the finance ministry announced that the government would also be reducing its share in Kenya Commercial Bank to 35% from 60% by the end of this financial year in June next year — Reuter

Kenyan tycoon has looks to take him to the top (163)

He may not be related to Kenya's president, but the country's top businessman has pull in high places, writes Michela Wrong

ED 30/10/97

MARK Too, chairman of Lonrho East Africa, is not a punctual man. That became clear as I fretted in the lounge of his colonial home in the Kenyan Rift Valley town of Eldoret

Meeting an 8am breakfast appointment is not something that comes easily to me Too, who had chosen the time, seemed to share my difficulty.

The wait did at least allow nosy exploration of the room, surprisingly modest by the standards of most African executives But the eye was quickly drawn to two likenesses arranged over the mantelpiece The first was a photograph of President Daniel arap Moi, the second a painting of Too The similarity of the poses highlighted a striking resemblance Could Too, popularly reputed to be Moi's illegitimate son, be deliberately drawing his guest's attention to the rumoured blood tie?

Apparently not Emerging nearly an hour late — with a brief mention of a troubling cold in place of an apology — Too was categorical on the issue of his parentage "We are not related My father comes from Baringo and my mother comes from Nandi I'll introduce you later to my brother and you'll see he looks just like me."

The resemblance between Too and Moi should, perhaps, rather be put down to the fact that both men belong to the Kalenjin, a grouping of minority Rift Valley tribes. This does not change the fact, however, that the filial nature of his relationship — or otherwise — with the president has dominated the career of this self-made man, who went from selling wattle from the family holding to running a network of mills, butcheries, and trucks, becoming a farmer, media magnate and influential political player.

While Too clearly possesses entrepreneurial flair, few in Kenya believe he would have been appointed head of Lonrho's East African branch had Tiny Rowland, Lonrho's former chairman, not recognised the value of having a Moi confidant as Lonrho's local representative

Too recalled how they first met

Too was one of the teenagers herding sheep and goats in Kenya's cool highlands when Moi, vice-president at the time, drove by on his way to the opening of a new cattle dip "It was raining and his motorcade got stuck in the mud."

There was then another chance encounter in Nairobi, when Too was hanging around government offices in the hope of persuading a politician to sponsor him through secondary school He never got the sponsorship, but won something far more precious — the patronage of the president of East Africa's leading economy.

"We hit it off, just like that. We started having long chats He would ask me about my ambitions and plans and listen to me Eventually he said, you can come and stay in my home"

Too attributes their friendship to his instinctive affinity for an older generation. I make the point that friendships with two "Wazee" — a Swahili term of respect for older men — have dominated his life Moi and Rowland But Too rejects this idea "One was a boss, one was a friend At Lonrho I was on orders and said 'Yes, sir' Rowland never showed the kind of personal interest in me that Moi did"

In return for that personal interest, Too has come to fill a unique niche as an informal mediator for the Kenyan government

He reels off names and assessments of rebel leaders and presidents met during a series of peace initiatives and deals Savimbi, Garang, Mengistu, Dhlakama, Museveni, Kagame, Rafsanjani The insights are not particularly profound, the impression is of streetwise savvy rather than subtle intellectualism

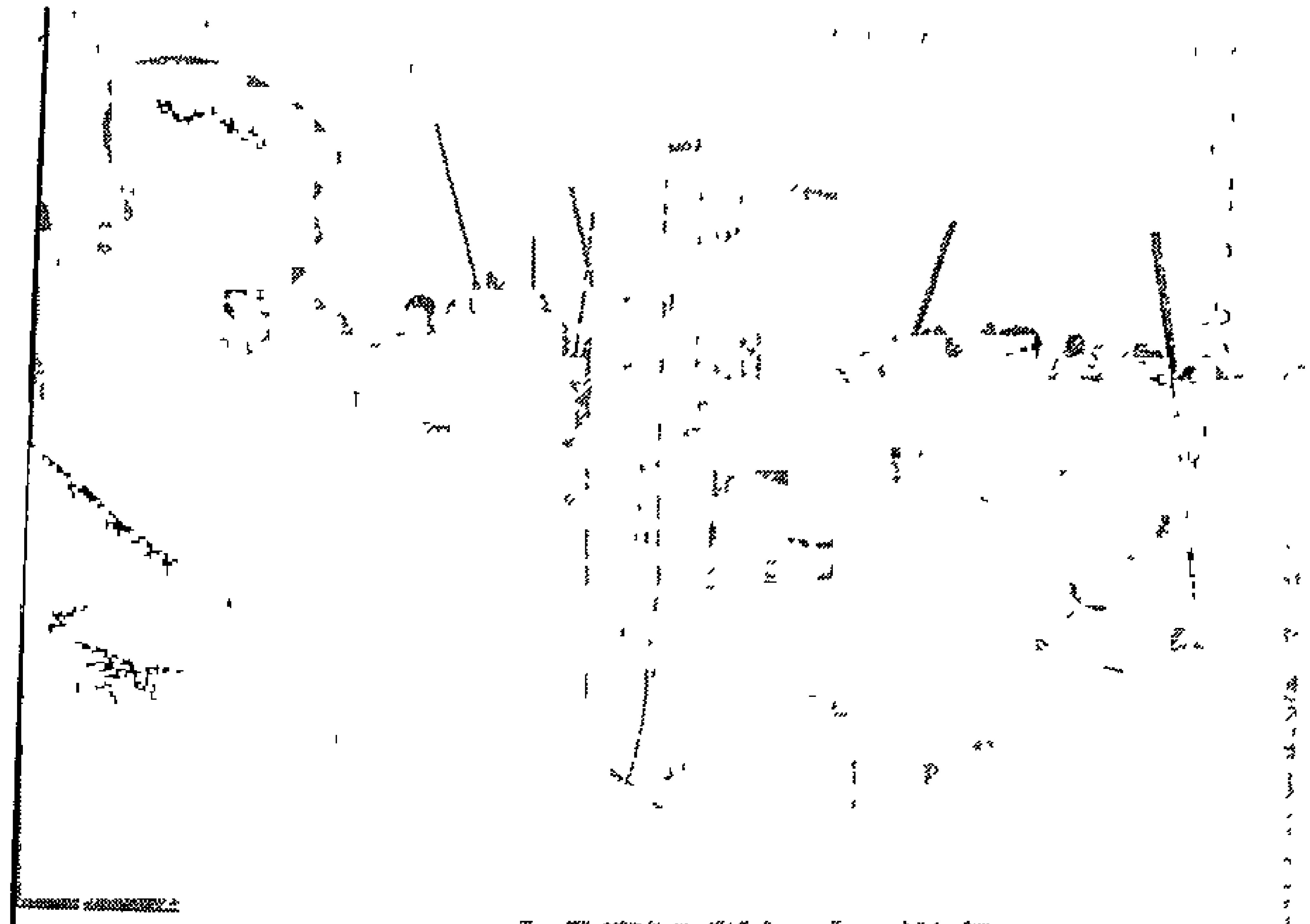
The question of how often Kenyan interests clash with his loyalties to Lonrho, and which side wins, goes quietly unanswered.

The role of discreet go-between also applies domestically. Decrying the obsessively confrontational nature of Kenyan politics, Too says he is happy to invite opposition leaders to his home

Secretary of the ruling Kanu party's local branch, he recently decided not to stand as MP in the coming elections 'Being in the private sector gives me freedom I have my independence, when I know something is wrong, I say it" Such bluntness has occasionally got him into trouble At such times, insiders say, Too quietly drops out of circulation, re-emerging when the president has forgiven him

At the gate, Too calls over a grey-bearded gentleman in a dusty suit. "This is my brother So you see what I mean" The brother, it is true, looks like an older version of Too. But then, he is also the spitting image of His Excellency President Daniel arap Moi

— Financial Times



Swazi police watch over traditional warriors as they pass through a metal detector prior to a festival given by King Mswati for Prince Charles at the royal kraal near Mbabane yesterday Prince Charles is on a week-long visit to Swaziland, Lesotho and SA.

Picture AP

Kenya implements election deal

(163) BD 31/10/97

NAIROBI — Kenya implemented a key plank of a pre-election reform deal yesterday by appointing 10 opposition nominees to its electoral commission

President Daniel arap Moi, who must hold elections this year, ratified their appointment as agreed by the Inter-Parties Parliamentary Group (IPPG), a statement from attorney-general Amos Wako's office said

Moi acted "in accordance with the IPPG recommendation that the president appoints an additional 10 members of the electoral commission on the recommendation of parliamentary opposition parties", the statement said

Ford-Kenya, Ford-Asili and the Democratic Party nominated three people each, and the Kenya Social Congress proposed one person

The IPPG, grouping Moi's ruling Kenya African National Union and about half the opposition members of parliament, agreed on a package of political reforms ahead of the polls However, hardliners in the National Convention executive council rejected the deal as a cosmetic sellout, and greeted the expansion of the electoral commission from 11 to 21 with scepticism.

It said biased arrangements for the election were already in place.

"Even assuming that these fellows are able to be a countervailing force, the government still has a majority," convention leader Kivutha Kibwana said "All the arrangements that have been made so far have to be scrutinised and if they are not right, reversed."

Parliament was due to vote yesterday on the Constitution of Kenya Amendment Bill, the second of three IPPG-sponsored bills the government says it will pass before parliament is dissolved No election date can be set before its dissolution — Reuter.

Kenyan President Moi denies he is wealthy

ED 3/11/97

NAIROBI — [illegible] only [illegible] from [illegible]

[illegible] Nairobi to welcome [illegible] member of parliament [illegible] ruling Kenya African National Union [illegible] have one plot near State House which Kenyatta gave me

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[illegible] "pouring money [illegible] he pro [illegible] don't [illegible] ne [illegible] pour [illegible]

[illegible] uation [illegible] ports that the president [illegible] fortunes [illegible] ident [illegible] coons [illegible]

[illegible] ergy ministry portfolio on the insistence of the International [illegible] World Bank after his name featur[ed] [illegible] of a [illegible] in the massive loss of public funds

Several [illegible] other to the president [illegible] businessman son, [illegible] accused of [s]iriting away billions of [illegible] unreasonable circum[stances] [illegible] — Sapa-AFP

(163)

Kenya admitted to developing nations bloc

BD 4/11/97 (163)

KUALA LUMPUR — The Group of 15 admitted Kenya yesterday as the 16th member of the bloc of developing nations, Kenya's high commission said

The group admitted Kenya on the first day of a three-day summit in the Malaysian capital

The African nation joined Algeria, Argentina, Brazil, Chile, Egypt, India, Indonesia, Jamaica, Malaysia, Mexico, Nigeria, Peru, Senegal, Venezuela and Zimbabwe within the seven-year-old Group of 15 nations

Nicholas Biwott, the minister of state in the office of Kenyan president Daniel arap Moi said yesterday that Kenya had already paid its membership fee and annual subscription fee to the group

Biwott said Kenya was on the path to full economic liberalisation and was committed to a peaceful and stable political climate through pursuit of democratic institutions — Reuter.

BU

AFRICA

Moi's 'reforms' a sop to democracy

(163) BD 5/11/97

Louise Tunbridge

NAIROBI — Kenya's parliament is likely this week to approve the final part of a package of reforms drawn up by the government ahead of general elections due by the end of the year.

Under these reforms, Kenya is for the first time defined in its constitution as a multiparty democracy. Certain repressive laws are amended and various other measures introduced, ostensibly to usher in greater political freedom in the run-up to the polls.

But while the reform package has been heralded by its proponents as a big step forward for democracy, a closer look at the small print reveals that it may not result in much, if any, change.

In recent months, clashes between police and pro-democracy campaigners, with their rallying cry of "No reforms, no elections", led to violent scenes in the capital and other towns, and more than a dozen deaths.

The protests were organised by the National Convention Executive Council (NCEC), an amalgam of civic groups and opposition politicians who declared that a specific set of minimum constitutional, legal and administrative reforms were necessary if the elections were to be free and fair.

Kenya's donors were quick to condemn the use of excessive force by the security forces in quelling the peaceful protests, and also to add their voices to the growing chorus demanding the levelling of the political playing field.

Snatching back the initiative, however, President Daniel Arap Moi's government launched its own reforms and created a vehicle for their passage through parliament, the Inter-Party Parliamentary Group (IPPG), backed by the majority of the official opposition.

But in the four documents resulting from the IPPG's work, most of the key demands set out by the NCEC have been merely touched on, watered down or completely ignored.

"Nothing has been done to address the enormous powers of the president," says Gibson Kamua Kuria, a lawyer and NCEC official. "He has the legal power to veto everything, plus the attitudes are still hardline, and therefore we do not expect any change."

While the NCEC demanded the complete repeal of a string of repressive laws dating from British colonial times, including the notorious Public Order Act used to restrict freedom of assembly, the IPPG accepted a compromise.

Politicians are no longer required to seek a licence for a meeting or rally from the district commissioner, but instead must simply notify the police of their intentions. The catch is, the police have the power to prevent such meetings from taking place — and have shown their propensity to do just so on a number of recent occasions, even as these reforms were being discussed.

Similarly, cosmetic amendments to the Societies Act have failed to ensure the registration of the opposition Safina party, fronted by white Kenyan Richard Leakey and radical lawyer Paul Muite. Safina has allied itself closely with the NCEC and its agenda for change.

Moreover, the shuffling, alteration or removal of various clauses in these and other laws have little meaning when officers of the provincial administration, the police commissioner, the registrar of societies, the chairman of the electoral commission and other top officials all remain presidential appointees.

Indeed, US ambassador to Nairobi Prudence Bushnell recognised that "until the planned reforms become actual deeds, they remain only words".

The electoral rules which allowed Moi to win the last elections, having garnered just 36% of the vote, remain untouched.

Pressure for a full review of the constitution, meanwhile, has been staved off until after elections, when a commission — again appointed by the president — will collect views and opinions over two years, and report back with proposals.

And yet the reforms, rejected as unsatisfactory by the NCEC, were enough to convince most opposition MPs to give them their support.

For them, particularly attractive is the rewritten clause in the constitution that now makes possible a coalition government. More specifically, the president may in future form his government to include members from parties other than his own.

Even opposition supporters acknowledge that most of their leaders have shown more interest in personal ambition than in policy and principle.

Others, like Gibson Kamua Kuria, go further. "There is a political class represented in parliament which sees its fortunes threatened by the NCEC and real change," he said. "The IPPG is a conspiracy against change. All those in it have interests to preserve, and that was the starting point for so-called reforms."

The NCEC, meanwhile, is uncertain of its next move. Some members are warning of chaos in the country if proper reforms are not implemented now, others want to distance themselves from language that might be interpreted as being inflammatory.

But public support for the movement that brought the reform issue to the fore has waned. Few Kenyans want chaos, and fewer still read the small print.

Moi, meanwhile, admittedly happy with the IPPG's handling of affairs, moves towards the elections with nothing lost and everything to gain.

PWD to shed 5 000 jobs in next five years

ARG 6\11\97 (250)

Minister set to privatise services

THABO MABASO
BUSINESS REPORTER

The Department of Public Works is planning to cut 5 000 jobs within the next five years as part of efforts to streamline and improve its operations.

Minister Jeff Radebe yesterday told a meeting to introduce his department's white paper that areas affected by the restructuring were the cleaning, gardening, horticulture and security services

He said these services would be outsourced to private companies

The job cuts would come partly from routine retirements and resignations, and partly from retrenchments, he said

"So that we make sure that former employees do not end up in the streets, we will encourage them to form small companies and tender for the services," Mr Radebe added

Department of Public Works director general Sipho Shezi said there were now 6 700 in the employ of the department, which would be staffed by a maximum complement of 3 000 in five years time, he added

"Doing this provides the department with the opportunity to cut down on fragmentation and duplication We will also save a lot of money through constructive management "

Mr Radebe told the briefing that the white paper laid the foundation for a new vision and image into the 21st century

Among other things, the white paper's objectives included attempts to refine a uniform procurement policy, and the cost-effective and efficient acquisition, management and maintenance of state properties

"As a department we have been championing the process of transformation in the public sector and I believe that we are making a pioneering contribution to setting new standards for the full-scale renovation of government relations and structures in South Africa," Mr Radebe said.

Kenya will down R1,2-bn from SABI plant

ARG 6\11\97 (163)

Nairobi – A plant being constructed by South African Breweries International (SABI) is expected to raise $265,6-million (R1 275-million) for the Kenyan government over five years.

SABI managing director Andre Parker said yesterday the company would initially employ 600 Kenyans directly and create 6 000 jobs indirectly at retail and supply level

"Besides investing over $40-million (R192-million) in Kenya, SABI also operates 20 other breweries in Africa and other parts of the world, including Hungary, Poland, Rumania and China, in partnership with other local ventures," he said

The entry of SABI into the Kenyan market, which has over the years been monopolised by Kenya Breweries Ltd (KBL), will boost revenue collection to the exchequer

Last month, KBL launched a new ultra-modern plant which produces 80 000 bottles an hour

SABI recently acquired management control and 40% ownership of Uganda's largest brewing firm, Nile Breweries – Sapa-AFP

# of Africa

Downtown Nairobi: The people are not starving, so they never make the news. But they are hungry and there is no sanitation. PHOTOGRAPH: R DREXEL/BILDERNBERG/NETWORK

The British know how difficult it is to believe that a long-running government can possibly be beaten But the corruption of power in Kenya does not involve tinpot politicians filching the contents of the odd hotel mini-bar It involves tinpot politicians filching the country "There is so much that could happen here if you just got rid of not even 100 thieves, just 20 of them," says one local businessman

The corruption is on a mind-boggling scale Everyone's favourite case is the Goldenberg scandal This resulted from a scheme whereby exporters were encouraged by substantial incentive payments from the government An Asian businessman got millions of pounds as reward for exporting gold and diamonds Kenya, of course, has no gold or diamonds

In Nairobi, public toilets and car parks have been quietly sold off to well-placed figures for development In the suburbs, a big new supermarket has been unable to open because, at the last moment, the crony of a minister popped up and announced that he had just been given title to the verge between the supermarket land and the road, and wanted £500 000 before he would allow access Meanwhile, the roads get worse with every rainstorm

The corruption is built into daily life Kenya depends on the *harambee* system This was supposed to be an admirable method of self-help, widely used to improve, for instance, education It works in almost the same way as the primary school sponsored walk or the Parent Teachers' Association jumble sale Except for two things (a) since the central funds have almost certainly gone missing, the school will be wholly rather than partially dependent on *harambees*; (b) politicians traditionally donate to all the *harambees* in their constituency

To maintain face, they have to give large sums to each one Since they are only paid £100 a month or so, most of the money must be stolen Kenyans seem unable to make the connection MPs who have tried to be honest, and make small donations, have had the money flung back at them as an insult

The corruption of power in Kenya does not involve tinpot politicians filching the contents of the odd hotel mini-bar. It involves tinpot politicians filching the country

There are other ways for politicians to raise funds On a cool Nairobi evening Joe M'Mukindia, the Minister for Energy, began his forthcoming campaign for the Meru constituency in the garden of his pleasant suburban home After a buffet dinner and plenty of drink, M'Mukindia's manager rose and began soliciting contributions

The guests then rose in turn, made a little speech of praise and offered their pledges Some came in cash £1 000 was the biggest offer Most gave items to help the campaign Most speeches were subtle Some were not

"The Minister for Energy is one of my favourite politicians," said one man M'Mukindia did not know him "What do you do?" he asked "I sell coal," came the reply "I'd like to pledge 300 T-shirts " And so on — 100 footballs, 300 umbrellas, 500 posters, 250 caps, 70 dartboards, a ton of sugar "for the men", a ton of salt "for the ladies" Kenyan rural housewives prize salt highly The manager was hoping for more salt

All this might have been shocking in the Western context, though it happens here more discreetly, and at the national rather than local level

It is not very different from what happens in the United States It can hardly be wrong in Kenya, since my presence was no secret But this is the tip of the iceberg, and one has to be very alarmed about what might lie under the water "I don't call any of this bribery," said one guest "I call it sugar "

M'Mukindia thanked his donors and promised he would always listen to their requests and then make up his own mind It was, in other words, influence-peddling He is young, bright, highly regarded, said to be straight, and, in the re-alignment that would follow a defeat for Moi, might fetch up in another government

Is Kenya corrupt? "I don't think it's worse than Uganda or Tanzania," he says Most analysts disagree On the wall of his downstairs loo,he has put up a strip cartoon called *Jolly Giraffe* "It's the jungle election soon," says a bird "You gonna vote villain or idiot?" Giraffe "What's the difference?" Bird "The villains make some animals better off and some worse off The idiots make all animals worse off "

In Kenya, the villains have overdone it Too few animals are better off There has to be a reckoning And if it does not come at the ballot box, then it may well come in a manner too terrible to contemplate

Wildlife experts are currently worried about the possible extinction of a rare type of antelope the hirola What also worries thoughtful Kenyans is the possibility of the disappearance of the high roller, the rich tourist who has sustained the country all the while its neighbours were collapsing into chaos

Out in the bush, I caught a family of cheetahs devouring a freshly killed impala It was a moment of timeless, brutal, beautiful majesty A group of camera-clicking American tourists were there too

But natural selection dictates that animals take on the characteristics of their surroundings I could swear that when the mother cheetah looked up, she was mouthing "You want pictures? Gimme dollars, bwana "

MAIL & GUARDIAN

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The slippery slope to cronyism

The African National Congress's demand in response to the findings of the Dreyer Commission of Inquiry into the Mpumalanga housing scandal that those who tried to "drag" Minister of Housing Sankie Mthembi-Mahanyele into the scandal should apologise is laughable

The commission, as the ANC well knows, was precluded from probing into the minister's role in the scandal

Instead, the commission spent much time and energy reaching its conclusion that the Motheo contract with the Mpumalanga government was illegal While uncovering an arrogant carelessness about public money, the commission danced around the core problem that holds great dangers for public life in this country

The most disturbing aspect, from the beginning, has been not so much the irregularities — how an unknown developer managed to secure a R198-million contract for the construction of 10 500 houses in the middle of nowhere after provincial housing authorities rode roughshod over virtually all the procedures — but the relationships between the key players

Those in the Motheo corner have parried allegations about the irregularities by pointing out that housing delivery is too urgent a matter to be held back by red tape

We agree, but that is not the point Our concern is over the relationships concerns that have only been deepened by the cavalier manner in which the players themselves and the government have dismissed them

Is there no pause for thought why Thandi Ndlovu, a close friend of Mthembi-Mahanyele, was awarded the largest contract in the country's history to build houses, something for which she had no expertise, before her company even existed?

Is no one bothered that her sister, Granny Seape, was in charge of low-cost housing at Nedcor and centrally involved in getting the deal off the ground? Or that Seape's boss, Kevin Gibb, also a close friend of the minister, was the driving force behind the project?

Or that sacked Mpumalanga Housing Board chair Saths Moodley who, according to Hugh Dreyer, should shoulder most of the blame for the approval of an illegal project was connected to all of them?

It is to the government's discredit that it never took the opportunity after the auditor general's report to ask whether the relationships were in themselves unhealthy and to canvass the entire question of conflict of interest This was an opportunity to draw a line, to say so far and no further to the rapid decline in standards of public morality, particularly the rise of nepotism, favouritism and cronyism

Instead we have been offered the opposite The commission concluded that the fact that Job Mthombeni sat on the Mpumalanga Housing Board and was later appointed a director of Motheo was not a conflict of interest

And without even asking the tough questions about the minister, the commission declared there was no evidence that her ministry had influenced the awarding of the scheme

The public has still been denied an explanation why the minister first agreed with her then director general, Billy Cobbett, that the project should not be approved before funds were available, why, fully briefed about the irregularities, she went ahead and launched it anyway, why she sacked Cobbett when he reported the project to the auditor general why she later tried to claim responsibility for taking the matter to the auditor general, and why she misinformed the public by claiming that Cobbett resigned

It is not for her critics to apolgise It is for her to explain

Business of knowing

If there was ever an example of failure to recognise that circumstances have changed in the new South Africa, it is the written submission made to the Truth and Reconciliation Commission by the Chamber of Mines The document might have been a pamphlet designed for gullible tourists It is not good enough for the nation

To be charitable, it could be said that the difficulties the chamber and other players in the business establishment are having in dealing with the truth commission can be put down to confusion about the purpose of the inquiry After all, the enabling legislation provides for investigation into "gross human rights abuses" and corporate South Africa, as represented by the men and women in wood-panelled boardrooms, may understandably protest "What, us? We didn't murder anyone, torture anyone " But that is to misunderstand the role of the commission

Desmond Tutu and his team have quite rightly, interpreted their brief as one of ensuring that "it does not happen again" To avoid a repetition it is necessary to understand the past And understanding is not to be discovered in superficialities such as those offered by the Chamber of Mines Or in the silence which some other sectors of the business community have preferred to maintain

The country does not want denials, it lived through apartheid and will not be fooled by them It does not want excuses, they are quickly recognised as such It does not particularly want apologies, although they are nice when they come It wants explanations, analysis, understanding

The former Barclays Bank chief executive, Chris Ball, has shown the way with an incisive portrait of business under apartheid Afrikaner institutions — perhaps because of their own history of struggle — have also shown a degree of understanding as to what is required by the commission The rest of corporate South Africa needs to follow suit

LETTERS

No renaissance without better living conditions

The attempted military coup in Zambia should send a strong message to those who think that Southern Africa is becoming a stable region

The proponents of an African renaissance or African rebirth, especially Deputy President Thabo Mbeki, who think that the wave of democracy which swept through the continent in the 1990s will bring peace and prosperity are in for a big surprise

As long as there is poverty, democracy cannot be consolidated in Southern Africa It is a bad idea to expect the people to respect the pieces of papers called Constitutions on empty stomachs

For junior military officers in Zambia to think of toppling the democratically elected government means that there is no support for that government It will not be long until the democratic regimes in Southern Africa — especially Zambia, Zimbabwe and South Africa — will be called the enemy of the people, as happened in Congo

Military rule is going to be a permanent feature in most countries in Africa until ordinary people enjoy better living conditions I do not think the current African rebirth will bring us peace and economic development, but rather political chaos and economic disaster

The Zambian attempted coup is a classical example of what lies ahead of us if governments in Southern Africa continue failing to deliver

This dramatic coup attempt must also be treated as a warning to those who think democracy comes only through elections and pieces of paper called the Constitution The political changes in this region must not only benefit the politicians and business, but the masses too if democracy is to be sustainable — *David Monyae*

It's all in the spelling

Really! A whole article, delightfully written, on a "wild and woolly" Karoo town (October 31 to November 6)

Please can we (the author and the subs) not get the name right? Colesberg!

That's the problem with changing the Drakensberg to sound like Johannesburg

A *nee* a — *Fanie Olivier, Louis Trichardt*

Mistaking the bay

Stephen Gray is mistaken ("Voyaging in search of pepper and slaves", October 31 to November 6) in saying that Francisco D'Almeida fought the Khoi at Saldanha Bay The battle, in fact, took place at Table Bay

Gray's confusion is probably due to the fact that the latter was originally named Aguada da Saldanha, but in 1601 was renamed Tafel Baaij by Van Spilbergen, who transferred Saldanha's name to the inlet further north

In 1510, Portuguese nobleman D'Almeida was on his way back to Portugal after a 10-year stint as viceroy of India, when his fleet stopped off at Table Bay for fresh water Some of his men attempted to kidnap a young local from a village near today's suburb of Mowbray — intending, they later said, to dress him up in silly clothes for the amusement of their shipmates

The Khoi launched a rescue attempt A fight broke out and the Portuguese rushed back to their ship for reinforcements

On their return they grabbed a group of Khoi children As a hostage ploy it backfired horribly the Khoi were enraged Of the 150-strong Portuguese force, about 60 were killed and the rest were literally driven into the sea

D'Almeida (60) was among those killed Most of the other casualties were members of the aristocratic families of the time They were buried once the Khoi had withdrawn

Portuguese fleets avoided landing at Table Bay after this In the early 1800s several Portuguese tombs, possibly belonging to the D'Almeida party, were unearthed at the site of the Groote Kerk, just off Adderley Street

Later, a Mr de Wet claimed that other Portuguese tombs had been found during excavations at No 2 Strand Street Perhaps one of your readers could shed a little light on what happened to these remains — *Hazel Crampton, Bryanston*

Counting sperm

I do not wish to intrude on the important literary argument between June Moshoeshoe and Robyn Burger (*Letters*, October 17 to 23), but, as a sensitive, caring male, I must add my support to Burger's criticism that males value quantity above quality She states "From the production of sperm to the courting of voters for a winner-takes-all form of democracy, the male viewpoint emphasises quantity "

I wish Burger to know that I am doing all I can to get my sperm count down However, I was initially somewhat vexed to know what to do exactly

Then, switching on the TV, I was fortunate enough to see Dave Richardson returning to the pavilion having made no runs whatsoever Here at last was a male for whom quantity was of no import I waited for some form of explanation

Having taken the matter in hand, I am carefully weighing what an impressed Geoffrey Boycott had to say "One good ball is surely enough " — *Charles Bester Stutterheim*

Living with the river

Jonathan Tulloch's evocative account of the plight of Zimbabwe's Tonga ("Kariba is still drowning the people of the river", October 31 to November 6) made an interesting story

It is a pity that Tulloch didn't visit the Zambian side of Lake Kariba (Incidentally there are three customs posts not two — there is one near the dam wall) No doubt the Tonga today if there had been no dam, would be suffering many of the problems described

Under most of British rule the area was noted for serious droughts and poverty which would by now be accentuated by a massive population increase However, in Zambia Tonga farmers along the shoreline have learnt to adapt to the new conditions by practising draw-down cultivation as the annual flood recedes from June to December

In Nigeria farmers around the Kainji Dam produce large quantities of onions and toma-

Jordan's women pay a high price for honour

A sexual transgression could end in summary execution to preserve family honour, reports **Julian Borger** *from Amman*

One morning this year, Rania Arafat's two aunts came to take her for a walk They told their 21-year-old niece they had arranged a secret meeting with her boyfriend Rania strolled with them through Gweismeh, a poor suburb where Amman's concrete sprawl peters out into desert

When the three women reached a patch of open land, the aunts suddenly stepped aside, leaving Rania standing alone She was shot four times in the back of the head at close range and once in the forehead. The gunman was her 17-year-old brother, Rami

It was a typical honour killing by relatives seeking to cleanse the family name of some perceived shame Rania's crime was to refuse an arranged marriage and elope with her Iraqi boyfriend Rami is in jail, but is unlikely to be sentenced to more than a few months, especially as he is a minor, which is almost certainly why he was given the role of executioner

Honour killings are on the rise. There have been three in Jordan in the past fortnight, 21 so far this year

Honour killings are on the rise There have been three in Jordan in the past fortnight, 21 so far this year — already two more than last year It is not known how many such murders are recorded as suicides or accidents

The fear of summary execution hangs over thousands of women who risk being denounced for some sexual transgression But in the campaign for parliamentary elections, held this week, the laws that condone the murders were not an issue

Even the 17 women among the 540 candidates standing are reluctant to break the taboo One, Wisaf Ka'abneh, says "This is our tradition. We do not want to encourage women who break up the family "

When Rania's body was brought to Amman's Al-Bashir hospital on July 19, the pathologists recognised her They had seen her two weeks earlier, alive but terrified As is customary in cases where a girl has left home against her parents' wishes, the police wanted her examined to determine whether she was still a virgin Doctors were bound by law to carry out the test, but they knew whatever the result, Rania was in danger

Dr Mu'men Hadidi, director of the National Institute of Forensic Medicine, says half the women who end up on his mortuary slab have already been sent to the institute for their hymen to be examined "It's a very ugly thing Our report is not made public — it's for the police But the parents dig down Whether or not it proves she's a virgin, it will not change the image in their minds "

Hadidi has had enough of inspecting young women on their way to their deaths He recently appeared on Jordanian television to say so, shocking many viewers who had been unaware of or unconcerned with the practice

Hadidi and a small group of doctors, social workers and lawyers are lobbying for the creation of a public committee to tackle the problem and help at least provide shelter for women at risk, whose only haven at present is prison

According to Rana Husseini, the only Jordanian journalist to report regularly on the honour killings, 40 out of 153 inmates at Amman's women's prison are in "protective custody" Many have been incarcerated for years In several cases, the jailed women had been raped but were nevertheless seen by their family as a source of dishonour

Asma Khader, a civil rights lawyer, cites the case of a 25-year-old woman who said she was raped by her doctor and became pregnant The 60-year-old doctor denied rape and the court ruled that because she had willingly gone to his clinic, she had somehow consented to intercourse The doctor still runs his clinic His victim has been in jail for two years for her own protection

After Rania Arafat was tracked down in her lover's flat, she was brought to court and offered the option of protective custody She broke down in tears and her father was allowed to speak for her He said she would return to her cousin, her intended husband, and all would be forgiven He had even written her a passionate letter, saying "I am singing from a father's heart, that is bleeding tears and blood over your absence Come home and God will forgive I will do whatever you wish " He signed a legal document guaranteeing his daughter's life and Rania was sent home Four days later, she was dead

Like Rania, most honour killing victims come from the back streets of poor neighbourhoods in which tribal tradition prevails But the killings are excused by law Article 340 of the criminal code states "A husband or a close blood relative who kills a woman caught in a situation highly suspicious of adultery will be totally exempt from sentence " And if a man kills a female relative suspected of involvement in "an illicit liaison" (not necessarily consummated), he will get a reduced sentence under Article 98 of the code

That allows mitigation for "crimes of passion" if the victim committed an "act which is illicit in the eyes of the perpetrator" In practice, once a murder has been judged an honour killing, the usual sentence is from three months to a year

Ironically, Jordan's honour killing laws are the result of Western influence in the Middle East According to Asma Khader's research they arose out of a fusion between Egyptian tribal custom and the Napoleonic Code in 1810, after the French legions took Cairo The laws were copied by Lebanon, Palestine and Jordan

The Jordanian Women's Union petitioned Parliament in March to change the laws, to no avail The elections are unlikely to provide a solution

A box to beat the coffin robbers

Geoffrey Gibbs in London

Ian Vosper has a problem People are dying to get their hands on his environmentally friendly flat-pack coffins, and he is not sure how to meet demand

Building an Internet web site for his small company based in Cornwall, south-west England, seemed like a good idea as the occasional order came in from green-minded consumers contemplating heaven in Texas, Australia or the Philippines

But, for a business producing 30 coffins a day, the call from an import company in Mexico City was another proposition altogether

Eco-F Systems — trading under the lugubrious title Duchy Coffins and Caskets — is being asked to turn out 600 000 boxes a year for the Mexican government agency that runs the country's funeral services

Samples of the kit-form caskets, specially modified to include a plastic lid, were despatched for approval last week and Vosper is confident of nailing down the contract shortly

The problem now is to find premises big enough to accommodate the expanded production, and a venture capitalist or business angel to help finance the deal

The hoped-for Mexican contract — and the prospect of an order for 800 coffins from Angola — means the company will need about 10 times its current space and a similar increase in its four-strong work force

The coffins, weight-tested to about 500kg, are biodegradable and can start breaking down within an hour of being buried It is a formula he believes will stand the company in good stead in countries where unscrupulous grave robbers have found a market for recently interred caskets

"The coffin will still be there, rigid and firm, but it will be brittle and break up if it is picked up, so it will be no good to sell on the black market "

Always something familiar out

MtG 7-13/11/97

(163)

Matthew Engel *reports on the troubled heart of Kenya, once Africa's greatest hope, now with its social fabric crumbling and an election due before the end of the year*

It is half way through the equatorial afternoon In the wood-panelled parliamentary chamber, a grey-haired African in a dark suit gets to his feet on the opposition front bench "Bwana Speaker," he begins

This is how the most optimistic British imagined it would be when they began their withdrawal from Africa almost four decades ago Westminster democracy exported in kit form and rebuilt in the tropics And here in the Kenyan National Assembly are all the trappings of home points of order, the mace, the despatch box, "the ayes have it"

Unfortunately for Kenya, the ayes always have it Since independence in 1963, it has been governed by just two men the founding father, Jomo Kenyatta, and, since 1978, his successor, Daniel arap Moi President Moi is widely regarded as a corrupt and vicious egomaniac who has tortured dissidents and bled dry what was once Africa's most promising nation

Earlier this month Joshua Kulei the presidential adviser, was accused of having grafted a fortune of £100-million in a country where the per capita income is about £150 a year

The most staggering thing about this well-presented allegation is that it appeared in a Nairobi magazine, *Finance* In Parliament, opposition members are not afraid to make similar comments The grey-haired African is Martin Shikuku, known as "the people's watchman" "Thou shalt harvest what thou hast sown," he is saying, looking at ministers opposite "He that harvests what he has not sown is a thief They harvest everything "

Shikuku spoke mainly in Swahili I only discovered later that he also apparently threatened to hire mercenaries to kill the children of two other opposition leaders with whom he is feuding

The follow-up edition of *Finance*, which widened its attack to pin corruption allegations on President Moi's powerful son, Gideon, failed to make it to the Nairobi newsstands Welcome to Kenya.

The controversy over Nigeria enabled the Moi regime to pass unnoticed among the crowd at the recent Commonwealth summit And in any case, Kenya exhibits few of the outward signs of traditional dictatorship

At the moment it is enjoying a remarkable outbreak of vibrant debate The British can never have allowed anything like this and for most of the 34 years of independence Kenyatta and Moi never did either Parliament was a sham until the early 1990s, when Western pressure forced Moi to allow parties other than his own ruling group, Kanu

But this is more ferment than jolly-good-show free speech What is allowed in sophisticated Nairobi does not happen upcountry The Kulei allegations first appeared in a small-town paper, the *Rift Valley Times* the publisher and writer were locked up Troublesome young men who criticise tribal elders and district commissioners are not patted on the head indulgently, either This is Africa

The dissent has not happened because the president wanted it A country dependent on tourism and aid has had to adjust, at least outwardly, to the will of its paymasters

And it may not last Moi faces re-election before the end of this year He may find an excuse to postpone the vote He may win again, even though he is much hated, because the election will be unfair and the opposition is both split and hopeless

Anything is possible, including bloody civil war It is hard to imagine that Kenya can continue on its present path

Many African leaders have long complained, with some justification, that the Western media give a false impression by only reporting the horsemen of the African apocalypse coups, wars, famines and epidemics, preferably involving at least 10 000 dead It is customary to quote Pliny *Ex Africa semper aliquid novi* — always something new out of Africa What we hear is always the same

The leaders would like us to report only their successes — which would be even more misleading But somewhere in between is the day-to day reality of Africa

It needs a Dickens rather than a news bulletin to describe it properly And it is a reality that bears more relation to Dickensian London than Western life in the 1990s prone to gnawing hunger more often than utter starvation, ordinary, preventible diseases more than epidemics

The reality reaches its apogee in the urban slums brutal, elemental, joyful, fearful Dickens novels traditionally end with the hero discovering a rich benefactor to take him away from the poverty Africa has a rich, if not generous benefactor the West Unfortunately, the money rarely arrives

Half-knowing this half-fearing the complications, the West has turned away from most of Africa It has preferred the simplicity of South Africa, where goodies and baddies have been clearly defined That huge chunk of the world between Libya and the Limpopo has become too complicated Sometimes the West watches, appalled sometimes it even weeps But I doubt if one in 1 000 people in North America and Europe ever worked out, for instance, who was killing whom in Rwanda, and why Mostly they turned away It is the very Dickens of a continent

Even the maps deny us understanding Mercator's Projection, which flattens the tropical regions, makes Africa appear the size of Greenland it is 13 times as big The United Kingdom can fit into Sudan alone 10 times Most maps show roads and railways A newcomer imagines they can be treated like a motorway or train line in Europe

I first went to Africa to bum around 20 years ago I was entranced by Kenya, but never dared try to get into Uganda, at that time under the thrall of Idi Amin Now Kenya is perceived to be on the way down, and Uganda on the way up This time I was able to visit them both Kenya remains utterly beguiling, full of natural glory and sparky people But its social fabric is crumbling, as certainly as the roads

For much of the 1990s, Kenya had the world's highest population growth Arguably, this was the result of its particular level of development The health system had improved enough for babies to live, and sick adults to recover, but society had not reached the level of sophistication that leads to smaller families

Kenya seems to be solving its population crisis The hospitals no longer have medicines they get stolen, to be sold privately Cholera is rampant over much of the country In some places nearly a third of the population is thought to be HIV positive The papers are full of death notices for youngish men and women Ask why someone died, and the answer is usually a shrug "He just got sick "

If you turn off the main road past the lovely, shaded Ngong racecourse, you find Kebira It is a slum, housing 150 000 people, maybe more, no one seems to know People just come and put up one-room mud huts They are now so packed in, there is no room even for more latrines

Some men do casual work, more look for it, though every hut seems to operate as a sort-of business, mostly a one-woman business — the Rub-a-Dub Bar, Mashimuni's Music, the Jambo Butchery, with one slab of meat in the window This is Africa at its most Dickensian Goats wander the muddy streets, living on discarded banana leaves and corn husks "They are very healthy," says Rev Joseph Oduor, chairman of the well-regarded Kebira Community Self-help Project

The humans do less well At the project's shabby headquarters, with no electricity, never mind sanitation, a lone social worker is teaching a safe motherhood course She is on to the relevance of water hygiene and its importance in preventing disease On the day I visited there was a breakdown, and only one tap was working to service a medium-sized town

People in Kebira are not starving, so they never make the news They are just hungry From the highest point, it is possible to see the presidential mansion, less than a mile away "He came to visit us once," Oduor says "He walked around for a little while He didn't stay long " Clare Short Britain's international development secretary, came more recently on her ministerial visit to Kenya ' Don t these people have votes?" she asked

They do, but democracy here is mysterious The peculiar requirements of the Kenyan system are widely thought to have been responsible for the recent outbreak of ethnic cleansing around Mombasa, when traditionally anti-Moi voters from upcountry were attacked and killed or driven out

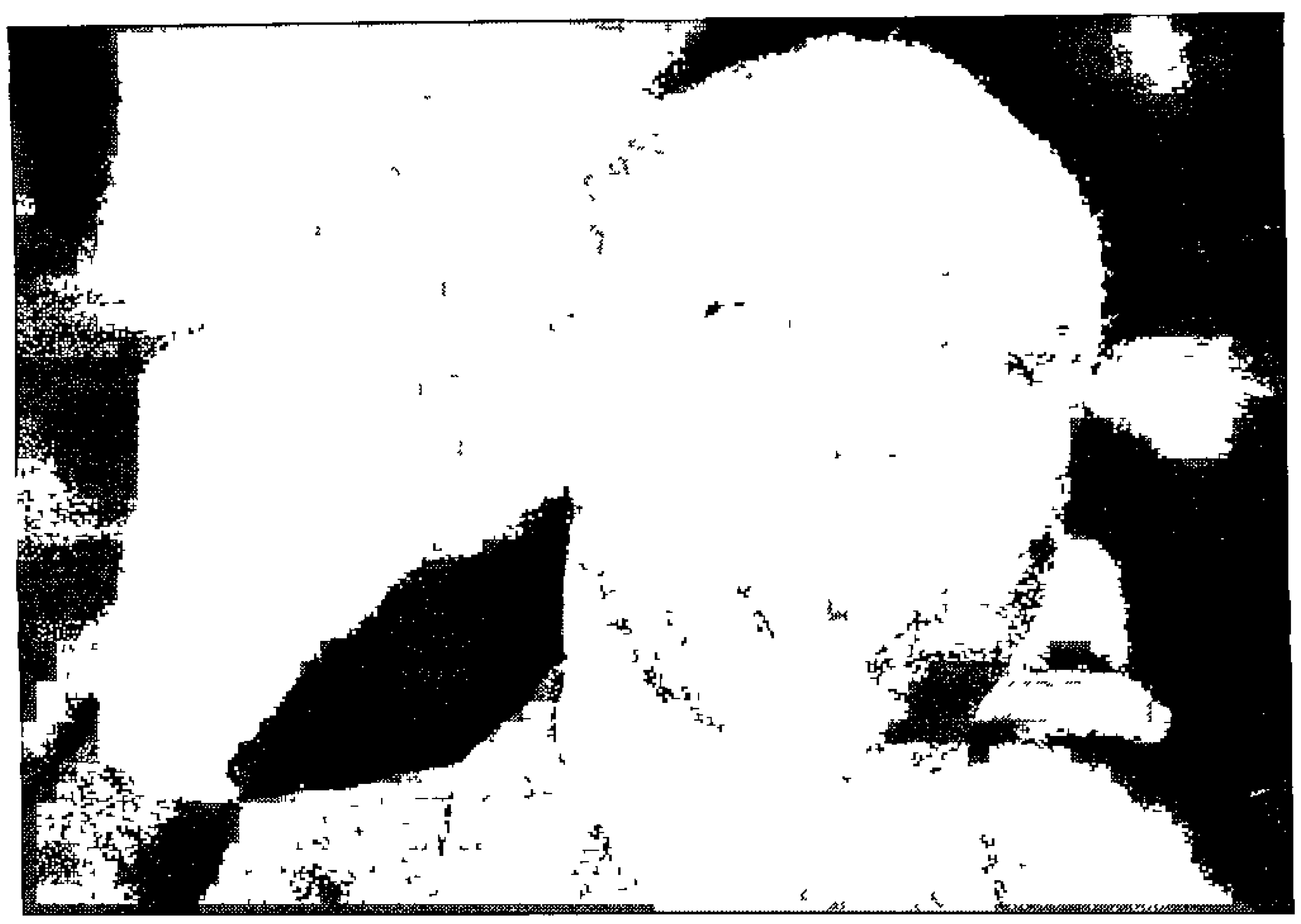
The main aim was not the killing, but the removal of opposition votes from what, in the Kenyan context, is a marginal seat Local Kanu leaders — scared for their own graft-gathering positions more than the president's — are presumed responsible, with connivance from on high

The high-profile attacks on demonstrators in Nairobi have now, belatedly, been repudiated by Moi These incidents were more a reflection of the security forces' crassness and jumpiness than of the regime's intentions The evil of Kenyan politics is meant to lurk in the crevices, not frighten the tourists

Worse violence will almost certainly come But it will probably happen away from the camera crews

Vote-rigging is a certainty as well, but many believe it will not be on a scale to affect the overall result "Of course the election will be corrupt," says Jaindi Kisero, editor of the *Weekly Review* in Nairobi "These fellows have been there for years They don't know how to have a fair election Everything will go on The results won't be accurate, but I think they will still be a fair assessment "

The *Weekly Review* is not regarded as anti-Moi But Kisero is convinced Moi has had it "It will go to a run-off, and whoever finishes second will beat him The man is very unpopular The country needs to modernise Everyone knows that The only sector that hasn't caught up is the political one, and it has to change "



President Daniel arap Moi: He may win again, even though he is much hated

Tribal leaders, party people

Matthew Engel

The current election is one that President Moi ought to lose Coming from a small tribe, the Kalenjin, he has no natural power base and the three main tribes — the Kikuyu, Luo and Luhya — are all against him.

To win on the first ballot, Moi needs a plurality rather than a majority, plus a support of 25% of voters in at least five of the country's eight provinces.

He only narrowly achieved this objective in the 1992 elections. The main force opposed to Moi's party, Kanu, is the Forum for the Restoration of Democracy (Ford), which has splintered into three unstable alliances.

The most charismatic opposition leader, Kenneth Matiba, changes his mind on his plans almost daily; a spell in one of Moi's torture chambers is thought to have had a lasting effect

Mwai Kibaki, a former vice-president, is tainted with the past; and Raila Odinga is a Luo tribal leader with minimal support elsewhere

There is growing support for Charity Ngilu of the SDP (Social Development Party), but her level of support is untested.

Safina (Ark), the party fronted by the paleontologist and wildlife expert Richard Leakey, never intended to put up a presidential candidate, but officials denied Safina the opportunity of joining the 21 parties currently registered for the polls on a flimsy excuse, believed to mask Moi's loathing for Leakey. Safina aims to break away from tribally based politics

KENYA *Investors wait for halted IMF aid package to be renegotiated*

Election jitters blunt economy

(163) CT (BR) 10|11|97

MANOAH ESIPISU

Nairobi — The Kenyan shilling has remained weak — stuck in the 62 to 64 band against the dollar, from about 56 last July — mainly because of election jitters A key aid package halted by the International Monetary Fund (IMF) is likely to be renegotiated only after the national elections

The IMF deal is important because it is seen by the business community as a sign of approval of the country's economic management Only after a deal is reached with the IMF on the key questions of corruption and governance are investors expected to start moving into Kenya again

Kenyans are also watching the weather Heavy rains, blamed on the El Nino climatic phenomenon, have battered most parts of the country, resulting in at least 35 deaths in the past two weeks and destroying property worth millions of dollars That has put further pressure on government resources at a time when the focus had turned almost exclusively to the polls

The countdown to Kenya's general elections begins this week when parliament completes its agenda for the reform of key laws ahead of the polls The authorities have yet to announce the poll date Under Kenyan law, presidential elections must be held before January 4, when President Daniel arap Moi's five-year term ends

***C'EST MOI** Kenyan President Daniel arap Moi, left, releases balloons at Friday's annual ruling Kanu meeting, where he presented his platform for the forthcoming elections* PHOTO AP

Parliament is due to finish its agenda tomorrow or on Wednesday and will then adjourn In Kenya's complicated ballot system, the presidential poll is linked to parliamentary elections

And, although Parliament's term could technically be stretched to April, the president must also be an MP, and so there must be a parliamentary election to go along with a presidential poll Moi launched the ruling Kanu party's election manifesto on Friday, and has already been formally nominated by his party to defend his seat in parliament Last week, Kenya's Roman Catholic bishops said reforms passed by parliament were inadequate to provide an even playing field before the elections

Operators on Kenya's financial markets say most investors have put their orders on hold until after the poll, which should give a long-term direction to Kenyan affairs "We need to get over these elections Many businesses are at a standstill until after the elections, when everyone will know what team has been put in place to manage the economy," said a chief executive at a leading brokerage house

Most commentators say it will take at least six weeks from the announcement of the polling date to the poll itself and see a mid-December date as probable Kenyan law gives at least 21 days for campaigning

Political analysts say Kanu is confident going into the poll against a highly fractured opposition, and the only worry for Moi may be a rule requiring the president to gain 25 percent of the vote in five of Kenya's eight provinces Such analysts say the president could be in a difficult position if electors vote along ethnic lines, as they did in 1992, because this would favour his opponents

With official opposition leader Michael Wamalwa, and prominent activists Raila Odinga, Mwai Kibaki and Charity Ngilu as candidates from the populous Luhya, Luo, Kikuyu and Kamba tribes, the president's votes are severely threatened in at least four provinces If there is no clear result in the first presidential poll, a run-off will be needed — something never before experienced in Kenya — Reuter

Kenyan parliament dissolved before poll

Star 11/11/97 (163)

Nairobi – Kenyan President Daniel arap Moi dissolved parliament yesterday, setting the stage for elections likely to be held in December, when he will seek a final five-year term after two decades in power. There was no mention of the polling date.

Moi, in power since 1978, is viewed as favourite by most political analysts against an array of candidates from the divided opposition. But predictions are risky because there is no reliable opinion research into the intentions of Kenya's 11 million registered voters.

Hardline opposition figures are advocating a boycott and disruption of the polls.

Moi (73) won with 36% of the vote in 1992.

The long uncertainty about polling day has hit business and industry, with potential foreign investors preferring to wait until the outcome.

Constitutional lawyers say Kenya's laws mean a gap of five to six weeks between dissolution and polling day. With Moi's term ending on January 4, this means the presidential and parliamentary elections are likely to be held in mid- or late December. – Reuters

Moi dissolves parliament for elections

(163) BD 11/11/97

NAIROBI — Kenyan President Daniel arap Moi dissolved parliament yesterday to make way for elections, State House announced.

The multiparty presidential and parliamentary elections are expected to be held before the end of the year.

The electoral commission — enlarged on October 30 to include opposition [illegible] will decide the date of the elections, which will also cover [illegible] ns.

[illegible] for the election [illegible]

President Moi [illegible] ns [illegible] the seventh parliament had completed its business, State House said.

The Kenyan shilling [illegible] sharply yesterday, losing almost two shillings to the dollar [illegible]

Commercial banks were quoting the shilling between 64,80 and 66 to the dollar yesterday afternoon, from 63,50 to 90 at the open. The shilling has traded at between 62 and 64 to the dollar since mid-September.

"It's sheer nervousness. We have not done any deals and we have not seen any client demand," a treasurer from a leading bank said.

"Quite frankly there's no reason the dissolution of parliament should move the market, because everyone was expecting it," another treasurer said.

The announcement of an election date is seen as the next short-term benchmark for the shilling — and until an election date is known, the market was expected to remain nervous, dealers said. — Sapa-AFP, Reuter.

KBL rights issue brews discontent

(162)

NAIROBI — One of Africa's biggest brewers, Kenya Breweries (KBL), has run into protests over its controversial rights issue designed to finance a fight against rival South African Breweries (SAB) (163)

KBL plans to raise R23m to fund expansion into Tanzania — part of its strategy in a "beer war" with SAB as the two firms battle for market share in east Africa.

SAB has expanded aggressively in east Africa, buying into breweries in Tanzania and Uganda and plans to open a bottling plant in Kenya in July next year.

But the rights issue, under which existing shareholder Guinness Kenya has agreed to buy all the rights not taken up by other shareholders, has fallen foul of stockbrokers and shareholders alike.

In an editorial yesterday, the influential Daily Nation argued that KBL and stock market authorities "need to do more to convince Kenyan investors that the issue is not a plot to give Guinness a bigger shareholding and whether this is to the benefit of all Kenyans"

KBL is offering shareholders the right to buy three new shares in the company for every seven they hold, at 53 shillings (82c) a share. — Reuter.

BD 12/11/97

Kenyan poll set for December 29

NAIROBI — [illegible] presidential and parliamen[illegible] [illegible] would be held on December 29 [illegible] toral commission chairman Zacchaeus Che[illegible] announced yesterday BD 13/11/97

[illegible] the country [illegible] more than 100 lives since July [illegible] the [illegible]

President Daniel [illegible] ment on Monday in view of the elections [illegible]

[illegible] warned [illegible] government [illegible] during the campaign. His government and security forces came [illegible] lice shot people dead at initially [illegible] sition rallies.

(183)

Alleged abuse of employees results in Kenyan expulsions

(163) BD 14/11/97

NAIROBI — Kenya has expelled two expatriates — a Briton and a South African — after President Daniel arap Moi accused them of treating their African employees with contempt, immigration officials said yesterday.

Wesley Winter, 53, a director in a subsidiary of the British security firm Securicor, who had been in Kenya for three years, and Alan Reynolds, 46, a former manager in a pharmaceutical company who had been in Kenya for 21 years, left the country this week

Moi claimed last weekend that the two men had called Africans "stupid" and that Reynolds had said that South Africans were "more civilised" than Kenyans

The Presidential Press Service quoted Moi as saying that "Kenyans were not ready to sell their dignity and self-esteem for foreign investment"

And in a commentary titled "Moi's lone crusade against racism in all forms," the ruling party mouthpiece, the Kenya Times, yesterday wrote "They (white expatriates) are here to eat well, enjoy the sunshine, take a lot of money back home, and eventually leave for the next African country that is ready to countenance their racial egocentrism"

Meanwhile, businessmen of Asian origin are fleeing Kenya in the run-up to general elections which have been announced for December 29, an airline manager said yesterday

The same phenomenon occurred during elections in Uganda and Tanzania last year, when businessmen of Asian origin — usually Indian — took holidays abroad with their families

In those two cases, the Asians returned after the elections and their aftermath proved peaceful

Charles Kutwa, Air Mauritius regional manager for East and West Africa, said Kenyan businessmen of Asian origin were already leaving this east African country en masse for holidays in Mauritius and elsewhere

"We are ferrying quite a number of the Asian businessmen from Nairobi to Mauritius who are running away from the heat of the election and we expect that as the date approaches we will have many more," he said

The Asian community in east Africa is often the target of racial abuse, accused of corruption and of ill-treating African employees

Kenya's 100 000 Asians, who dominate the retail trade, are often accused of amassing wealth but holding themselves aloof from African society

Several prominent Asians have been implicated in financial scandals which have destabilised the Kenyan economy in recent years

They are also suspected of acting as front men for corrupt politicians.

Prominent opposition politician Kenneth Matiba called the Asians "cheap" in April, and vowed to expel them should he be elected president, but he ended up refusing to register as a voter and is thus ineligible to stand

He accused the Asians of "stealing Kenyan wealth and taking it to India"

Matiba was backed at the time by Raila Odinga, another prominent opposition politician, who called for a distribution of the nation's wealth

The US, Japan and EU embassies protested at what they called "inflammatory remarks" — Sapa-AFP

Shareholders and stockbrokers allege bias towards Guinness Kenya

Kenya Breweries rights issue stirs storm

ET(BE) 14/11/97 (163)

SIMON DENYER

Nairobi — The upcoming rights issue by Kenya Breweries (KBL), under which existing shareholder Guinness Kenya has agreed to buy all the rights not taken up by other shareholders, has run into a storm of protest

Some shareholders and stockbrokers are claiming that the rights issue was designed to give Guinness Kenya, a wholly owned subsidiary of Britain's Guinness, an unfair advantage

But Jeremiah Kiereini, the chairman of KBL, told shareholder representatives at a meeting on Wednesday that the company had been transparent and followed standard procedure.

"KBL has been entirely transparent from the first announcement about the issue, and the price set We have complied fully with the Capital Markets Authority rules and the requirements of the Nairobi stock exchange," Kiereini said

KBL plans to raise 1,5 billion shillings (about R112 million) from the rights issue to fund expansion into Tanzania — part of its strategy in the competition with SAB, the South African brewer, for market share in east Africa.

Under the rights proposal, KBL is offering shareholders the right to buy three new shares in the company for every seven they now hold, at 53 shillings a share.

When the rights issue was announced in September, shares in KBL were trading at 58 shillings The problem is that the share price has fallen to 48,50 shillings — meaning a rights issue above the market price is unlikely to be well subscribed

Guinness Kenya already owns 25 percent of KBL Now, say sources close to the deal, it is ready to increase its stake sharply when the issue closes on November 21 If just 25 percent of the rights are taken up, for example, Guinness will be left holding more than 40 percent of KBL

One of the complaints of the Association of Kenyan Stockbrokers (AKS) was that trading in KBL shares should have been halted pending the rights issue

But Kiereini said this would have interfered with the functioning of the market

"It would be against the principles of free markets to withdraw trading in shares just because they go up or down at a pre-election period or once a rights issue price has been announced," he said

Foreign investors backed KBL's stand

"Any investor can buy the shares now at a lower price and forgo the rights knowing there is a buyer at 53," said Gerd Kirsten, the portfolio manager of the Emerging Markets Breweries Fund at BV Capital Management in New York

Ngenye Kariuki, the chairman of the AKS, also complained about the timing of the issue — ahead of elections and while the market was depressed

"It may be the timing was designed such that existing shareholders will be unable to subscribe and thereby facilitate Guinness to acquire more rights," he said

But Kiereini said the expansion into Tanzania was part of the company's long-term development strategy

"Now is the time to expand the business and to act on SAB's competitive moves," agreed BV Capital Management's Kirsten "It also shows KBL management is able to adapt and move fast contrary to perceived notions of KBL as a slow moving giant."

SAB has expanded aggressively in east Africa, buying into breweries in Tanzania and Uganda, and plans to open a bottling plant in Kenya next year

But Kirsten says there is room for two brewers in the region, and concerns about South African competition should not put off investors

"KBL is the cheapest brewery share in Africa," he said "Overall it is a good issue" — Reuter

Best man for Moi's job may be a woman

NAIROBI In her short political career, Ms Charity Kaluki Ngilu has been beaten by riot cops, tossed into jail and tear-gassed by police breaking up opposition rallies

Now the 45-year-old opposition figure wants to be Kenya's next president so she can reverse the East African country's decline

Few expect Ngilu, who is to file her candidacy on the tiny Social Democratic Party's ticket, to win, but she has a good chance of spoiling President Daniel arap Moi's hopes of being returned for a fifth successive term in the December 29 elections

In Kenya, women are expected to leave politics to the men and most do, so Ngilu's bid is considered downright impudent

Yet she is convinced she is qualified for the job "The voters will decide," she said Her candidacy acquired momentum in February when the League of Women Voters endorsed her

She has three children and runs a successful plastics business Her husband, Mr Michael Ngilu, owns an electrical engineering firm He usually tries to keep a low profile, but at a rally on October 24, he urged men to allow their wives to take part in politics He reassured them that his wife still made his breakfast

Ngilu was elected to Parliament on the Democratic Party ticket in 1992 Straightforward and outspoken, she soon made a name for herself In a recent poll, she was placed fourth Moi, with a well-oiled political machine and compliant state bureaucracy behind him, was first

However, the poll did not take into account Kenyans' penchant for voting along ethnic lines, nor that 65% of the estimated 10 million registered voters are women To dilute the strength of Kenya's large tribes, electoral law dictates that the winner must capture 25% of the votes cast in five of Kenya's eight provinces

In 1992, voters cast 3 338 871 ballots for three opposition candidates, while 1 927 640 voted for Moi, including 290 000 in Eastern Province, home of Ngilu's Kamba tribe

At the least, Ngilu could be expected to win most of the Kamba vote and deny Moi the fifth province he is banking on This would mean a run-off between the top two candidates

Ngilu portrays herself as a unifying figure She says she seeks a single term only as a bridge between the present undemocratic system and the democracy Kenyans yearn for"

She promises an economic "turnaround" in five years "Kenyans are resourceful and will be ready to work hard as soon as they see a committed, willing and able leader That is what is lacking," she said — Sapa-AP

(163) CT 17/11/97

Negative reporting on Kenya has 'failed to highlight its economic liberalisation and poverty alleviation efforts'

Foreign media scaring away investors, says Moi

CT (BR) 17/11/97 (163)

FROM SAPA-AFP

Nairobi — Kenyan President Daniel arap Moi has accused foreign journalists based in Nairobi of giving his country a bad international image and scaring away potential investors

Moi said the international media had failed to highlight the country's economic liberalisation and the programmes it had designed to alleviate poverty among groups left destitute during the implementation of reforms recommended by the World Bank.

"It is indeed disheartening that, rather than serving to highlight our development efforts, such a large number of international news reporters have subjected the country to adverse publicity," Moi said last week in a keynote address at the Africa Media Forum, a media seminar organised by the New York-based Freedom Forum

"Continued negative reporting on Africa, and Kenya in particular, is scaring away potential investors," he said

"This in a way contributes to the persistence of poverty and undermines our efforts to improve the quality of life for our people"

Moi noted that some 200 foreign reporters were based in Nairobi

He said the government had "taken firm measures to apprehend" people suspected of carrying out acts of violence in the Indian Ocean coastal region and accused the international media of ignoring government efforts to stop the bloodletting there

More than 200 people are on trial in the Indian Ocean city of Mombasa on charges of raiding a suburban police station on August 13

That raid and subsequent violence on the coast, allegedly masterminded by pro-government politicians, led to the deaths of more than 80 people.

About 100 000 members of inland tribes fled, losing their voting rights in the process, and tourists cancelled holidays in droves after the violence was given wide publicity in the international media

Moi also lamented that foreign journalists had unfairly compared him to late Zairean dictator Mobutu Sese Seko, whose three decades of rule were ended in May this year by rebels led by Laurent Kabila

PREACHING GOOD NEWS *President Daniel arap Moi, during an address at last week's Africa Media Forum, urges the international media to paint a fair picture of Kenya* PHOTO AP

Kabila became president of the newly named Democratic Republic of Congo and Mobutu, who had been ailing after cancer surgery and had left his country in chaos and riddled with corruption, died in exile in September

Moi urged reporters to be fair to all parties when reporting general elections scheduled for December 29

The polls follow constitutional measures to level the political playing field and open parliament to the opposition, after many years of a monopoly of power by the Kenya African National Union

The autocratic Moi, 73, has ruled Kenya for the past 19 years, surviving a bloody coup bid in 1982, four years after the death of Jomo Kenyatta, the country's founding president

He warned in a speech last week, after dissolving parliament, that the government would not allow any "chaos" during the campaign

BUSINESS

INDUNDATION [illegible] *3h his flooded villag[illegible] in th[illegible] rains in the country have caused d[illegible] hundreds of [illegible] of humanitar[illegible]*

(163)

Kenya to face economic pain 'whoever wins poll'

FROM AFP CT (BR) 18/11/97

Nairobi — Harsh economic times await Kenya no matter who won the December 29 general elections, Robert Shaw, the leading opposition economic analyst and activist, said yesterday

Shaw said although the announcement of elections had ended uncertainty, which in turn would result in more settled economic times, the present trials and tribulations went far beyond the immediacy of an election

"The government is already facing an economic deficit of 10 billion shillings (R763 million), and whichever way this will be addressed, it will affect the economy adversely," he said

He warned that increasing taxes would not only reduce the purchasing power of the people, but would also limit economic activity especially in the private sector

"I predict that the International Monetary Fund will not resume aid to Kenya before mid-1998 at the earliest "Chances are that it might not be next year," Shaw said

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“CHANGE ISN’T LIKE INSTANT COFFEE’

Election odds loaded against Moi opponents

CT 19/11/97

NAIROBI: Kenya has announced elections for December 29, but observers are sceptical whether they will be free or fair Managing Editor **KANTHAN PILLAY** reports.

PRESIDENT Daniel T arap Moi of Kenya is doing something unusual these days He is talking

The 73-year-old president broke with tradition to give interviews to visiting foreign journalists and deliver the keynote address at the Africa Media Forum in Nairobi

It was his first visit in 10 years to the five-star Norfolk Hotel since the Jewish-owned establishment was attacked by Palestinian sympathisers

The turnabout is not surprising Kenya — which in the heady days of uhuru under founding president Mzee Jomo Kenyatta was the envy of the continent and hailed as the triumph of African development and pragmatic leadership — has degenerated into chaos

Since independence in 1963, Moi’s Kenyan African National Union (Kanu) has maintained a stranglehold on government in spite of commanding what is at best the support of less than 40% of the population Rigging of the electoral process, overriding of the constitution by presidential decree and corruption have all played a part in keeping Moi in charge

But as is the nature of Africa, nothing remains constant The Kenyan people woke up Stirred into action by the collapse of the regime of Moi’s long-time friend and ally Mobutu Sese Seko in the former Zaire, Kenyans took to the streets in July

The government reaction was swift At least 13 people — children and students among them — were killed in a countrywide crackdown on pro-democracy crowds

The Saba Saba Day action, as it is now known, also saw security forces attacking a Protestant church in a bloody assault that left several clerics injured Television cameras from the nominally independent Kenya Television Network (KTN) were present and the events were screened that evening Two television editors who authorised the screening were immediately suspended

The International Monetary Fund (IMF) reacted swiftly In August, citing rampant corruption and bad governance, it withheld a desperately needed US $200-million (R970m) low-interest loan

The IMF laid down a series of conditions for restoring the loan, primary among these the reinstatement of Kenya’s head of customs, who had been at the forefront of a crackdown on a smuggling ring The smugglers have close ties with Moi

The IMF also named 10 people it believed to be behind the worst of the corruption

What sort of corruption? Journalists speak of what is now known as the Goldenberg scandal in which an Asian businessman received millions of pounds as a reward for exporting gold and diamonds

Export incentive schemes are in place in many countries, so what’s wrong with this picture? Nothing, until one remembers that Kenya has neither gold nor diamonds

Moi’s minister of finance at first agreed in writing to the IMF demands, but Moi subsequently retracted this Accusing the IMF of interfering in Kenya’s internal affairs, he stood by his decision to fire the customs head

Finally, pushed to the negotiating table by the chaos, Moi agreed to ground rules for new elections Then, in the tradition of the political savvy that has characterised his reign, Moi dissolved parliament last week and announced elections on December 29, preventing many of the agreed reforms from being passed by parliament

Observers agree that the elections are unlikely to be free or fair Mr Raila Odinga, leader of the opposition National Democratic Party, bitterly points out that an offer from the Danish government of 52 000 transparent ballot boxes for use during the elections has been summarily rejected by Moi, as have requests for the independent counting of votes

But observers also agree that Moi has outwitted his opponents The rules for the elections specify a winner-take-all scenario, requiring Moi to obtain as little as 25% of the vote in five of the nine provinces to win the presidency

So Moi is talking He is at ease when he addresses us, even charming, some would say Nairobi is host to about 200 foreign journalists who use it as their African base of operations, he reminds us

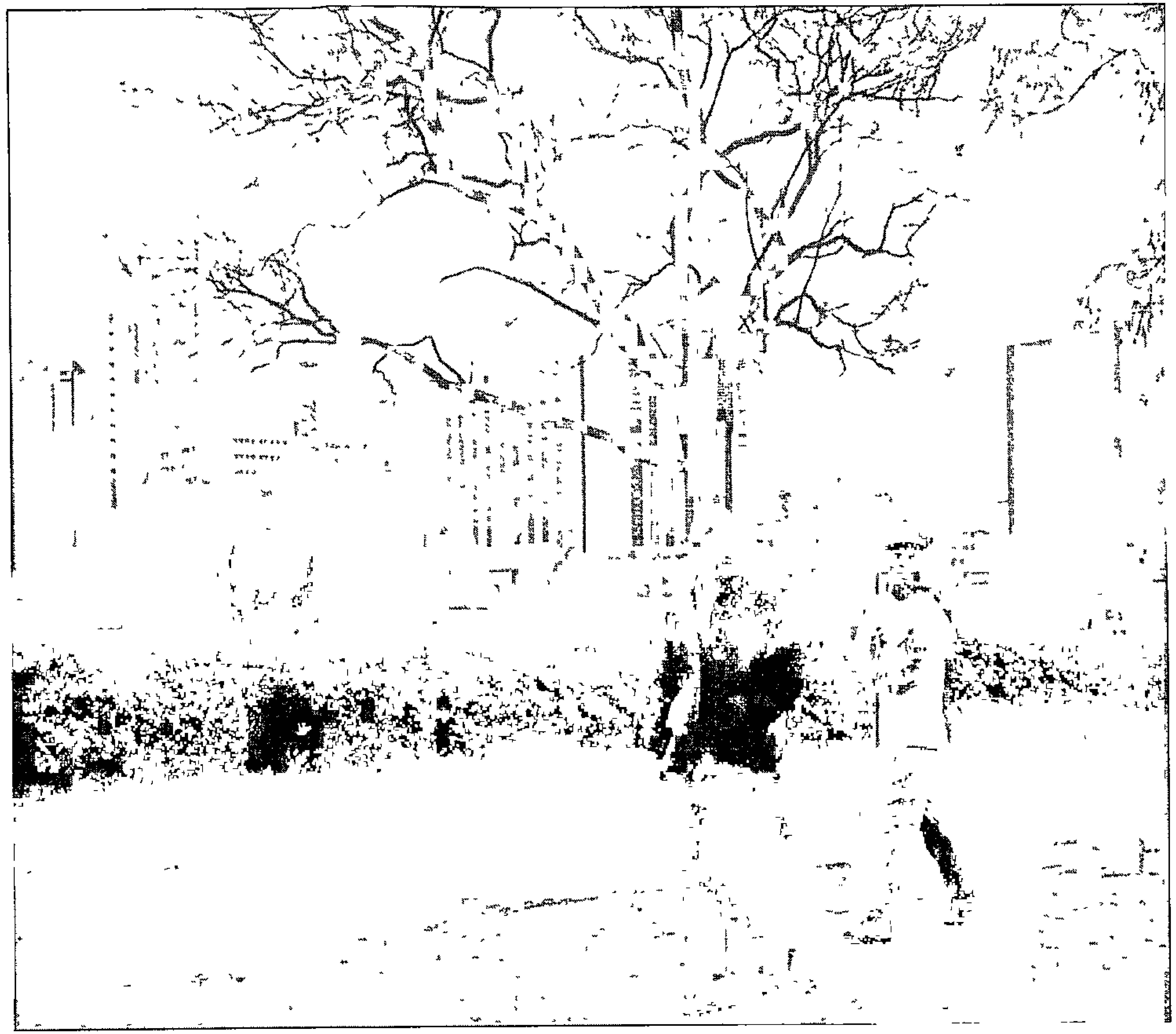
“This could not have been accidental It must have been dictated by the centrality of Kenya on the continent, the availability of modern communications facilities and the stability that Kenya has been fortunate to enjoy over the years

“Besides this,” Moi goes on with a noticeable twinkle in his eye, “the unfortunate turmoil in some of our neighbouring countries has attracted many foreign journalists who go into troubled areas during the day and quickly return to the safety of Nairobi to file their stories ”

He is resentful of the comparison with Mobutu “Why compare the leadership (of Kenya, meaning Moi) with a country which has been devastated, which has not had elections, that has had nothing?”

With the odds so against them, why are opposition candidates even bothering to run? Odinga looks uncomfortable when I pose the question “This is not like instant coffee,” he says finally “People have struggled to democratise There was a time when all of this (opposition parties, press interviews) was illegal

“The odds are against our party,” he concedes, “but we know that under a dictatorial regime, we need to win in spite of this ”



MONUMENT TO FREEDOM: Pedestrians in Nairobi pass the Uhuru memorial, now a bitter reminder of Kenyans’ aspirations. ***PICTURE. KANTHAN PILLAY***

Dramatic twist to Kenya 'beer wars'

(163)

NAIROBI — Kenya's "beer wars" took an unusual twist when a ceremony to begin work on a new SA-owned brewery was delayed by a rival local brewer's delivery truck overturning nearby.

SA Breweries broke ground at their new site near Nairobi later than scheduled after a lorry belonging to Kenyan Breweries overturned and blocked the road.

BD 20/11/97

Local police officials said they had to close the road after empty beer bottles blocked the route.

The two companies are gearing up for a fierce fight in East Africa, in what the locals are calling "the beer wars".

REPORTS Business Day Reporters, Reuter, Sapa.

KENYA

El Niño is washing away export crops

Adverse weather believed to be connected with the El Niño phenomenon may severely reduce Kenyan exports, Peter Muthoka, the chief executive of Kenya's Export Promotion Council, said on Wednesday.

(163) CT (BR) 21/11/97

Muthoka said that although exports were expected to rise by about 25 percent this year, heavy rains would reduce Kenya's exports next year. Heavy rains on the east African Indian Ocean coast have caused severe flooding in Kenya, Somalia and Ethiopia, at a season when the countries expected only short rains.

Kenyan exports earned a total of $1,8 billion dollars last year, 24,1 percent over the previous year. But "the current torrential rains and floods will reduce exports of traditional export products like coffee and tea", Muthoka said, explaining that "agricultural produce was either rotting on the fields or cannot reach markets at all, as many roads in farming districts have been washed away". — *AFP, Nairobi*

Green light for Leakey's party

(163) ARG 26/11/97

Nairobi – The Kenyan government said today it had authorised the registration of conservationist Richard Leakey's Safina opposition party ahead of general elections on December 29.

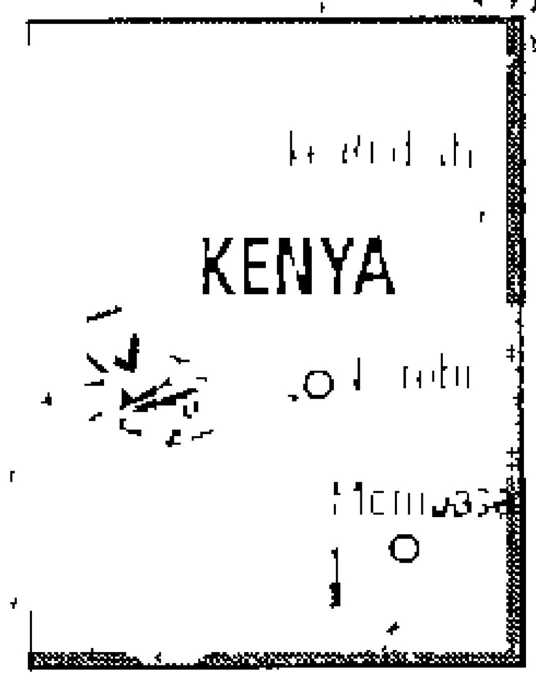
"The government has allowed the registration of all political parties whose applications are pending with the Registrar of Societies This includes Safina," said a brief statement by the Presidential Press Service

Safina appealed to attorney-general Amos Wako last month after its application for registration, first submitted in June 1995, was turned down When the party was mooted in 1995 it claimed it provided the best means of uniting Kenya's divided opposition against President Daniel arap Moi, who has been in power since 1978 – Reuters

Ngilu not doing it for Charity, but for the people

If fragmented opposition supports woman candidate, there's an outside chance, writes Stephen Buckley

Star 3/12/97 (163)



Candidate Charity Ngilu has promised to remain in office as Kenya's president for one term only She has pledged to smother corruption in one of the world's most corrupt countries. She has implored Kenyans to choose her because of something she's not – a traditional, Old Guard politician.

As Kenya's opposition scrambles to prepare for presidential elections on December 29, a kind of political schizophrenia has come over this East African country. On the one hand, pervasive disunity, disorganisation and lack of resources dog opposition politicians even more so than in 1992, when Kenya held its first multiparty elections.

On the other, there is an increasing sense that if the opposition can force a second round of voting it might have a shot at removing from office President Daniel arap Moi, in power since 1979

The top two vote-getters in the first round – virtually certain to include Moi – will move to the second round if no candidate wins an overall majority of the vote and 25% of the votes in at least five provinces.

The sliver of optimism about opposition prospects has come from Ngilu, who could become sub-Saharan Africa's first elected female president. A poll in late summer by the US Agency for International Development (AID) suggested that, among Moi's five major challengers, only Ngilu would defeat him in a runoff

Perhaps Ngilu's strongest asset is that, in a country where corruption has muddied many politicians – fomenting the cynicism of Kenya's 27 million people – she is unscathed by scandal.

"She's a fresh face," one diplomat said in a recent interview "I think she's the only person who's addressing the issues that people here really care about."

Ngilu, however, has numerous obstacles. Foremost is getting enough votes to qualify for a second round of voting. And she would have to hope a divided opposition would back her.

Many opposition parties, including some major ones, are desperate for funds. And many of the 26 parties, at least 20 of which are fielding presidential candidates, have failed to articulate a meaningful agenda

It has been an odd year for Kenya's opposition Earlier this year, it was unified long enough to goad the government into crafting a political reforms package that parliament passed this month But dozens of politicians have defected to the ruling Kenya African National Union as it has become clear the party likely will continue its three-decade dominance with at least a parliamentary victory

"This is even more depressing than 1992," said activist and human rights lawyer Gibson Kamau Kuria "There is really a sense of hopelessness"

Last week, the government registered the Safina party, led by famed conservationist Richard Leakey, after a two-year delay, clearly hoping to show its commitment to reform But in many ways the delay epitomised Moi's ability to shackle the opposition since 1992

The ruling party "has had a chance to prepare while the opposition has been locked out of the process", Leakey said at a news conference.

Leakey has become an enthusiastic supporter of Ngilu, whom many Kenyans had not heard of until a few months ago. Ngilu (45), married with three children, says her rising popularity has resulted from her message

"Kenyans see me as someone who will demystify power," she said last week. "I want to give them back power They are used to all the power being at the top"– Washington Post

'Moi's people behind attacks'

CT 3/12/97 (163)

NAIROBI The violence on Kenya's coast in August was orchestrated by people working for President Daniel arap Moi's ruling Kenyan African National Union (Kanu) party to dislodge opposition voters, a human rights group has found

In its report, released yesterday, the Kenya Human Rights Commission said it had evidence of state involvement and police brutality "There were many reports of torture, the injured and the dead being dumped at Magandia in Kwale district security forces engaging in extensive looting and reportedly using rape as an instrument of terror "

The report rebutted official claims that members of the Digo tribe had attacked Kenyans of other ethnic groups living on the coast

It said Kenyans from inland, Ugandans and Swahili-speaking Hutus had been involved in the attacks, in which 100 people died.

It said these had been planned as early as in May and staged to justify postponing the elections and to allow Kanu to regain the political initiative lost to civic and opposition groups

The violence began August 13 when some 500 raiders attacked a police station outside the port of Mombasa, killing six officers and making off with thousands of rounds of ammunition and dozens of police rifles

Nearly 100 000 people displaced by the violence would not be able to vote in the December 29 elections — Sapa-AP

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Kenyan mother seeks top job

(163)

A feisty female presidential candidate is seeking to unify the fragmented opposition in Kenya, writes **Louise Tunbridge** in Nairobi

BD 5/12/97

"BE A real man, vote for Ngilu," proclaimed the bumper stickers as the fleet of vehicles weaved through the crowds thronging the streets around Nairobi's parliamentary buildings

The city came to a standstill as Charity Ngilu, 45, a businesswoman and mother of three, rode in an open-top Mercedes to present her nomination papers as a presidential candidate in this month's Kenyan elections

Jubilant supporters lined the pavements, crammed into shop doorways and leaned out of office windows to catch a glimpse of the woman they are already calling "madam president"

Few women venture into the macho world of Kenyan politics, but Ngilu has earned a name for herself by taking on baton-wielding policemen and once even slapping an aggressive district officer

Standing for the small Social Democratic Party, she clearly poses an obstacle for veteran President Daniel Arap Moi, who was banking on victory in her native Eastern Province to return him to the post he has held since 1978

Under election rules, the winner must garner at least 25% of the vote in five of eight provinces

If Kenyan women, who form more than two-thirds of the 10-million registered voters, were to vote along gender lines, Ngilu could present an even bigger threat Her campaign, however, pitches her not as a woman, nor as a member of her Kamba tribe, but as a unifying figure

"I'm not going to be a presidential candidate for women I'm a presidential candidate for Kenyans," she said "I'm seeking a one-term mandate during which I will bring constitutional reform "

Gender is also much less of an issue than unity, an ideal that has eluded the opposition since the last elections, Kenya's first multiparty polls, in 1992

Efforts to rally the forces opposed to the Moi regime around one organisation or figure have failed miserably Nine opposition candidates have already put their names forward for the presidency

Most Kenyans vote along tribal lines, a fact that has been exploited by opposition leaders to the detriment of their greater effectiveness So far, 26 opposition parties are to take part in the elections, presenting a bewildering choice to the voter and a head start to Moi's ruling Kenya African National Union (Kanu)

Many of the parties are offshoots of others, the results of squabbling between rival personalities and ethnic groups Splits within splits have spawned six parties from the original Forum for the Restoration of Democracy

A series of 11th-hour manoeuvres by the government has added to the confusion, clearly by design and not default

Last week, the Safina party fronted by white conservationist Richard Leakey, was given the go-ahead to field candidates, after being prohibited from political activity for more than two years

Safina officials had been accused of plotting subversion to overthrow the government Awarding their certificate of long-awaited registration, however, attorney-general Amos Wako said he had decided to give them "the benefit of the doubt"

A few days later, the country's number one dissident, Koigi wa Wamwere, was freed to contest the elections after his four-year prison sentence for robbing a police station was quashed Human rights groups said the charges against him were fabricated

"Moi is playing his political games by denying us adequate time to prepare," said Wamwere, "but we have to go for the election, it's our basic right"

Under pressure at home and from external critics, state broadcasting company KBC this week began giving airtime on radio and television to opposition parties

But with so many opposition parties competing for the limited time left before polling day, the ruling Kanu party, which has monopolised coverage for years, will face little competition

Nevertheless, Ngilu and her team are confident that even with a divided opposition vote, Moi does not have an open road ahead If he fails to win outright, he would be forced to a second round run-off against his nearest rival "If it's just Moi and I, I will win," said Ngilu confidently

Moi appoints supporter to head anti-graft body

SIMON DENYER (163)

Nairobi — Kenyan President Daniel arap Moi yesterday appointed John Harun Mwau, a former fringe presidential candidate who now backs Moi, as head of the Kenya Anti-Corruption Authority

Mwau threw in his lot with the president two weeks ago after withdrawing from the presidential race pitting Moi against opposition candidates divided along ethnic and personal lines

The Anti-Corruption Authority is a key element of an anti-corruption law passed last month and is designed to satisfy demands from foreign donors and the International Monetary Fund (IMF) for a serious attack on rampant official graft in Kenya

Mwau was a fringe presidential candidate in 1992 and again this year until his withdrawal from the race

Mwau complained of a crowded and fragmented opposition and urged his supporters to vote for Moi in the December 29 polls

"Following the first inaugural meeting of the Advisory Board on Prevention of Corruption held at State House Nairobi on Tuesday, the president has appointed Mr John Harum Mwau to be director of the Kenya Anti-Corruption Authority," said a brief statement signed by Fares Kuindwa, the head of Kenya's civil service.

Mwau's appointment takes effect immediately and will last for four years, the statement said

The advisory board on corruption was announced late on Monday and included Mwau as one of its members

Opposition political analysts on Monday described Mwau's appointment to the advisory board as a bad omen, given his support for Moi

The other six members are lawyer Paul Kariuki, chairman of state-owned sugar company Chemilil, Alphonse Mulama, Christopher Nzuki Maingi, Fatma Alhad Hyder, Kenneth Kiplagat and Mohamed Maalim Hajir

Mwau's appointment follows the moving of Zacchaeus Chesoni from chairman of the Electoral Commission to the key post of chief justice, a decision which one western diplomat described as "amazing"

The IMF suspended its three-year $205 million dollar aid package to Kenya at the end of July to reinforce its protest against endemic corruption and poor governance

In August, after talks with the IMF, the Kenyan government promised, among other measures, to create an anti-corruption authority with full autonomy to stamp out public corruption

IMF officials said they wanted to see the formation of an anti-corruption authority before negotiations on the suspended loans could reopen — Reuter

CT(BR) 5/12/97

Dictator? Moi?

ST 7/12/97

Kenya's pukka Big Man speaks with forked tongue

(163)

ALEC RUSSELL: Nairobi

FOR the home of a "Big Man", Nairobi's State House is refreshingly low-key In contrast to the palaces of Zairian dictator Mobutu Sese Seko, where goons with sunglasses manhandled you if you so much as looked at them, here attendants greet you with pots of tea There are prints of partridge shooting in the entrance hall and comfy chairs It seems more country squire than African autocrat

The "Old Man", as 73-year-old Daniel arap Moi is known to friends, was in cracking form He strode across the courtyard ahead of me, whistling a jolly tune His arms swung at his sides as if he were half his age He was clearly still revelling in parliament's passing the night before of a package of political reforms, outmanoeuvring his critics again

But Kenya's crisis had merely been postponed

Quite what Moi had to be so jaunty about was difficult to imagine Since he took office 19 years ago, Kenya has plunged downhill And although repression has eased since the first multi-party elections in 1992, the government is still widely associated with force At least nine people died in July in clashes between the police and opposition demonstrators The state coffers are being ruthlessly pillaged by officials, while most Kenyans struggle to feed their families Moi is bewildered by his rejection by the West His sense of grievance is eclipsed only by his outrage at jibes that he is no better than Mobutu, who died in August after being toppled in May "How come they (the opposition) compare Kenya with Zaire, or even me with Mobutu?" he asked He paused before blurting out, almost as an afterthought "I am not a dictator "

Moi should try saying that to the hundreds of Kenyans locked up merely for voicing dissent, or families of the hundreds of victims of tribal clashes over the past few years

But then, Africa is a continent of degrees This is not Idi Amin's bloodstained Uganda, nor even Hastings Banda's quixotic Malawi Here you can read headlines denouncing Moi's rule, and the newspapers survive to say the same thing again The disintegration of the state is far slower than in the former Zaire And Kenya is stable, something of a triumph, given Africa's turbulent post-colonial history

Moi has shown an uncanny ability to make the right move. In 1955, in the dying days of British rule, he was selected as one of five African members of the Legislative Council, set up and run by the British government By joining Legco it while Jomo Kenyatta and other African nationalists were in prison, he implicitly took the colonialists' side

As the country moved towards independence, his lack of radical credentials ought to have been a death blow to his ambitions But when Kenyatta became president in 1963, Moi quietly shifted from being the white settlers' "blue-eyed boy" to the indispensable right-hand man In 1967, he became vice-president

Now he loves to play the anti-colonial card

The most convincing explanation for his success seems to be country-boy cunning As a shy Kalenjin with halting English, he was seen as no threat by the power brokers of the Kikuyu and Luo, Kenya's two dominant tribes He was the ultimate outsider, monitoring the ways of Kenyatta's court while biding his time "He is like a tortoise," said one politician "He has this shell, so you never know what is inside "

Crucially, he also has a gut feel for what the ordinary Kenyan likes Kenneth Kaunda, the former president of Zambia, is said to have telephoned him once for advice on how to deal with food riots after he had raised the price of corn "Kenneth", Moi is said to have replied, "only one thing matters in Africa, and that is keeping the people's stomachs full " His common touch undoubtedly stems from his upbringing, although finding the truth about his past is difficult

What is known is that he was born in the the Baringo area of northwest Kenya His father died when he was a toddler, and, given the drought-ridden nature of the area, the family would often have gone hungry The critical moment in his life came in 1934, when he was one of four boys from his district to enrol at the local mission school Like many other African leaders of his generation, he had been rescued from rural obscurity. But he maintains a close link with the land Every weekend he travels with his officials to his farm, Kabarak, outside the central town of Nakuru

Even his enemies concede Moi's iron rule is tempered by a pastoral side Every Sunday he gives an impromptu homily at a church service Last year he is thought to have spent more than 250 days on the road addressing remote communities And he is something of a puritan, rising at dawn, eschewing fancy foods and neither drinking nor smoking

And yet this is a man who, in 1988, had a statue made of his arm clutching a silver-inlaid ivory mace, as part of a multimillion-rand celebration of his first decade in office, and who bought himself a 70-seater Fokker plane fitted out in white leather

The contradiction has long puzzled Kenya watchers Moi dresses in charcoal grey suits He speaks English with the ponderous intonation of a 40s BBC announcer He follows the ancient Greek maxim of "nothing in excess" He is, in fact, a very British Big Man But there is no doubt that politics would turn very nasty if any party was to pose a credible threat to him Hundreds of people were killed and thousands displaced in what amounted to ethnic cleansing of opposition pockets in the central Rift Valley after the last election Many fear this could happen again, either before or after this month's poll

QUOTE: Why do they compare Kenya with Zaire, or me with Mobutu? I am a humble man

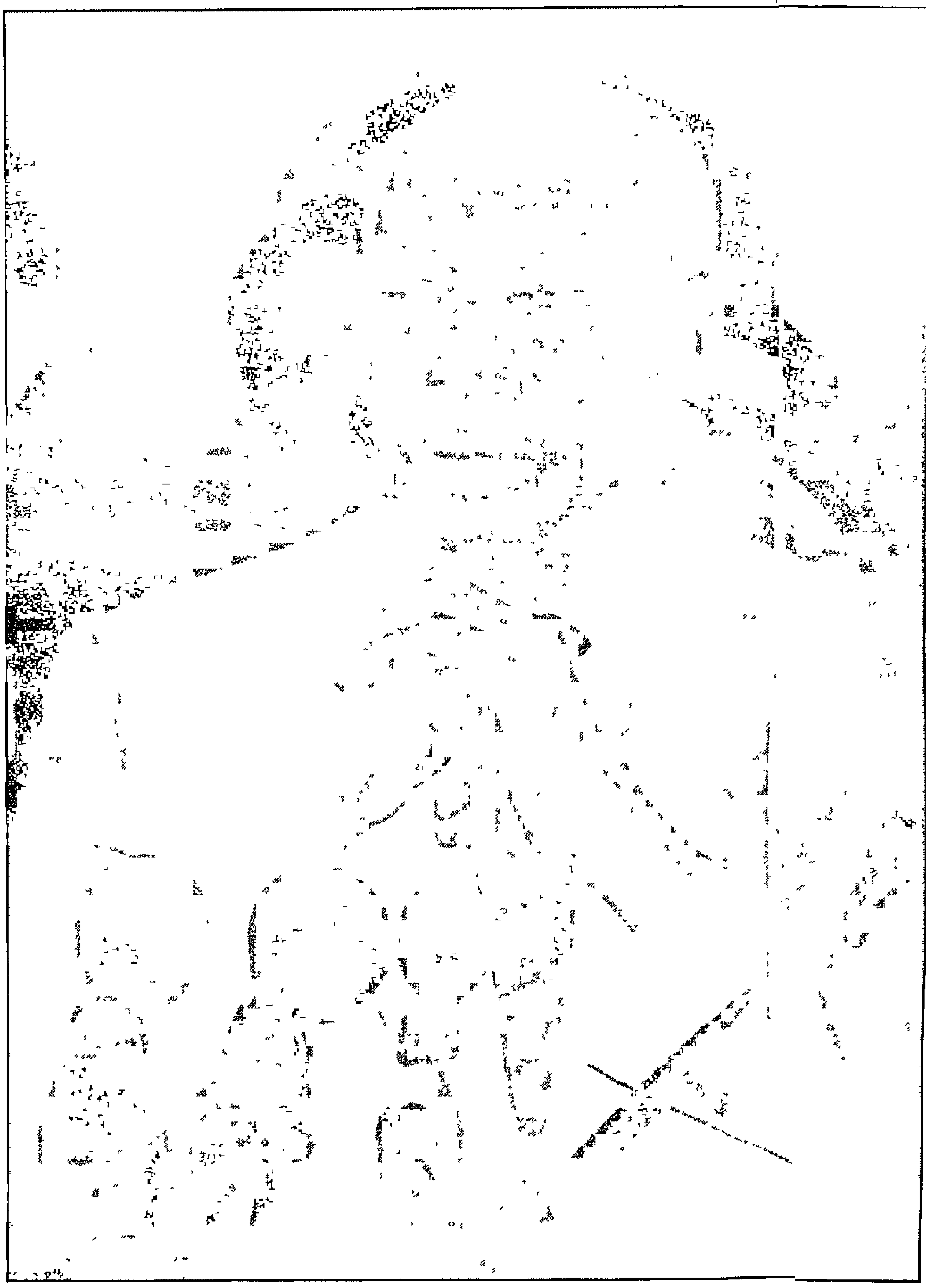
So is Moi Kenya's evil mastermind? Or is he, as his defenders claim, kept out of the loop by his inner circle? As with all the most successful autocrats, he has never been directly linked to scandal But if you judge a man by his friends, you have to judge a ruler by his entourage, and many of Moi's aides are a shabby lot

Nicholas Biwott, his *éminence grise*, was named by Scotland Yard as a prime suspect in the 1990 murder of Dr Robert Ouko, a former foreign minister who had called for a probe into government corruption. Biwott was fired from the cabinet in 1991 after an international outcry, but has since been rehabilitated, and this year was brought back into the government Joshua Kulei, Moi's personal assistant, was due in court the week of my interview in connection with missing funds

"Moi's trouble is he has no judgment," confided a long-time fan "Some of that lot are bloody bad If he just sacked one, it might send out the right signals, but he just reshuffles them As for his sons, it's un-African to criticise them " But with global donors withholding funds protesting misrule, corruption is something Moi can no longer ignore, although in our meeting he parried the issue with a deadpan face "At independence our 42 tribes all became united under one flag I am accused of not cracking down on corrupt civil servants But with tribalism still so deep-rooted, how do you expect me to go in there and crack the whip? We'll do the best we can to eliminate it, but it takes time "

In much the same way, he defended the nine deaths in the July demonstrations "The government did not kill them Kanu (Moi's Kenya African National Union, the party which has governed since independence in 1963) did not kill them They were rioting They even killed someone Kanu believes in peace But we don't condone anyone breaking the law I am interested in the welfare of Kenyans That is all "

There was a time when many Kenyans would have lapped this up Moi was hailed as Kenya's "Joshua" when he took office Kenyatta, it was thought, had led them from the Egypt of colonialism Moi would guide them into the promised land



EYES OF THE BEHOLDER: Despite international censure of corruption in Kenya, Presit Daniel arap Moi is also seen as crucial to stability in East Africa Picture: AP

Britain has tried to keep faith, partly for commercial reasons, but also for real politik Moi has made himself indispensable to regional security in East Africa

But his veneer of respectability is wearing thin There is anxious talk in the west of Kenya of it becoming another Nigeria and exporting trickery and drugs Even Moi's defenders concede his self-justification "Apres Moi le deluge" may no longer hold The argument that Africa's young states need a firm hand works only if that hand is benevolent, and the few dissidents who have seen the government from the inside say that, far from being a naive old man, Moi is the hydra's head, the ultimate tribal chief

Now another election looms and, seemingly, another victory for Moi According to the constitution, this has to be his last term in office The only question is whether he will bow out of office before 2002

At a state parade in Nairobi's Uhuru Park in October, Moi claimed he would love to retire It was Kenyatta Day, marking the anniversary of the 1952 arrest of the then freedom fighter by the British Some 20 000 people had gathered to watch as a military band oompahpahed back and forth Paratroopers, forest guards, city council workers, even the national youth service, filed past It was an impressive performance, reminding any doubters that government is very much in charge

Moi stood ramrod straight, patriarchal and impassive His set English speech was ponderous, but once he switched to Swahili he came alive

To the crowd's delight, he poked fun at the diplomats on the podium behind him, telling them to "leave us alone They are accredited as ambassadors and are welcome to play their role But when they come and say, 'You must do this', we are reminded of our colonial days " He elicited groans as he declared he would happily have stepped down if it were not that Kenya still needed him

In the interview, he would not be drawn on his personal plans People asked him, he said, only because they wanted to be president He, by contrast, was "a humble man" who wanted only to help Kenyans "who have given me the confidence to lead them"

He closed with a Cassandra-like prediction "Although people blame Moi now, one day they will understand what Moi was " — © *The Telegraph, London*

Charity may bring fame to Kenya dorp

(163) CT 12/12/97

KITUI, Kenya: As a one-horse town where the leading hotel, Flames, charges the equivalent of R27 a night for its best room, Kitui is convinced its destiny is to be Kenya's answer to Hope, Arkansas.

Kitui's Bill Clinton is called Charity Ngilu and her supporters say she will be Africa's first woman president after Kenyans go to the polls on December 29

"If she doesn't win, it will only be because of rigging," said Mr David Muindi as he sat with a few dozen of Kitui's wealthier sons and daughters in the Reflections Resort Club.

Eating grilled meat and downing beer after beer, they waited until the early hours — in vain as it turned out — for their favourite politician

"Come Dine and Dance for Charity," said the invitation to the campaign fundraiser at the cheerful if shabby venue, the premier night-club in a very poor town.

Muindi, a forwarding agent in Nairobi, the capital, drove the 180km home to Kitui and paid 1 000 shillings (R78) for the chance to meet the most talked-about woman in East Africa

"I would say we are one tribe which respects women very much," Muindi said, explaining why Kenya's Kamba people have produced the first woman to mount any serious challenge to President Daniel arap Moi

How serious is difficult to predict in a country where opinion polling is in its infancy

During an interview with Reuters, Ngilu quoted a poll which suggested that she alone among a crowded field of opposition candidates could beat Moi if a run-off second round was needed.

She ignored another poll which gave her third place with 12% and said Moi would romp home on the first ballot

"I want that office so much," Ngilu said as she sat in her garden in Kitui, surrounded by Kamba villagers "If I pull out now, Moi will win because all the other candidates are seen as tribal representatives

"But Kenyans see Ngilu as a woman, not as a tribe They see someone who is going to unite the country," she said

In truth, 45-year-old Ngilu has plenty going for her She has no political baggage and if the skeletons of financial corruption are hidden in any of her cupboards, Moi's ruling Kenya African National Union (Kanu) has yet to find them

She was a late entry into national politics, winning Kitui Central constituency in 1992. The closest she got to the corridors of power was as secretary to the governor of Kenya's central bank between 1972 and 1975 After that she went into business as a baker and manufacturer of plastic buckets

> *'The first thing I will do ... is remove those who are corrupt from office.'*
> ***— Charity Ngilu***

Unlike many of the candidates, she has a manifesto with a few simple and appealing ideas.

She knows most of her 28 million compatriots are sick of the cancer of corruption which has spread through their lives

"The first thing I will do as president is to restructure the civil service and remove those who have been holding senior positions, and those who are corrupt, from office We know them, I know them I do not have to have a commission to investigate them." — Reuter

(163) MtG 19-23/12/97

Nairobi's 'forgotten ones'

Lucy Hannan in Nairobi

Surrounded by filth and terrorised by crime, residents of the suburb of Korogocho routinely refer to themselves as the "forgotten ones" But even their misery could be ignored when a cholera epidemic took grip in Nairobi's slums as a nurses' strike entered its third week

Government hospitals have remained deserted since the nurses began a national strike on November 28 They stuck to their demands, despite being confronted in some provinces by police with tear gas Striking health workers have threatened private hospital staff and warned of disrupting services

The strike is the second serious wave of industrial action to sweep Kenya before the general election on December 29 Nurses — like teachers in October — want a 200% to 500% pay rise

Emergency tents have been erected in two slums and volunteer nurses and health workers have been brought in. So far, the response has come almost exclusively from the non-governmental sector, government representatives visited Korogocho cholera patients for the first time this week. Health workers have confirmed at least 30 deaths in Nairobi so far

But grim accounts of dying patients and suffering failed to push President Daniel arap Moi's government to the negotiating table until Tuesday, when the strike leaders were finally allowed to express their grievances

Corruption, low wages and low morale have undermined the Kenyan health system Patients routinely bribe hospital staff to get treatment, or are expected to produce their own syringes, plastic gloves, cotton wool, drugs and other medical equipment

Patrick Chege, whose kneecap was broken in a police beating, was in Kenyatta Hospital for a month without receiving treatment, because "doctors kept asking me to give them a little something" Some patients who cannot afford to pay their bills are kept in the wards — sometimes for months

Ling Kitui, a Nairobi GP, said doctors were often forced to make difficult decisions on scarce resources, "because the greatest problem is misuse of funds at a ministerial level"

Government hospitals often lack adequate supplies, and Moi's regime appears to be unwilling or unable to plug the holes Pharmaceutical companies have even placed adverts in local papers advising "how to spot real drugs"

Kitui says that telling patients how genuine drugs are packaged has become a crucial part of treatment, "otherwise sick people pay a lot of money for flour-and-sugar pills".

In Korogocho, people cannot afford bribes They save their money to buy buckets of clean water and a daily meal of green leaves and maize meal

An estimated 20% of children in Korogocho are malnourished and on assisted feeding programmes, according to John Kitheka of Provide International, a Kenyan aid organisation.

Moi knows he will get few votes in these urban districts An energetic campaigner in the provinces, he leaves these areas alone George Mburu, a 28 year-old volunteer community-health worker who was born in Korogocho, says he will probably not bother to vote at all in the elections, which he says will "make no difference"

Moi is seeking to extend his 19-year rule by another five-year term, and is expected to win the election Mburu says several opposition candidates have visited the slum, but no representatives from Moi's party, Kanu

Kenyan poll rigging impossible, says Moi

BD 19/12/97 (163)

KISII — Kenyan President Daniel arap Moi said yesterday that constitutional reforms enacted by parliament two months ago made it impossible for him to rig elections on December 29.

Moi, 73, said the west had imposed democracy wrongly on Africa in total disregard for the local reality But he said he would win the vote anyway "Kanu (the ruling Kenya African National Union party) is winning, no doubt at all," said Moi, who faces 14 opposition candidates

Nine-million Kenyans, aged 18 or more, have registered to vote in presidential and parliamentary elections in which Moi, in power since 1978, is running for a fifth term which he says will be his last.

Moi's main challengers are Mwai Kibaki, Raila Odinga, Michael Kijana Wamalwa and Charity Ngilu, Kenya's first credible woman presidential candidate

"How can we rig the elections when the electoral commission is independent? How can we rig when the electoral commission has more opposition commissioners than those from Kanu?" Moi asked

Opposition leaders say Kanu, in power since independence in 1963, wields state resources to unfair electoral advantage despite a reform deal hammered out in October Under the crossparty deal, which followed months of often violent protest, parliament reduced the power of public servants over politics, increased opposition access to state-owned media and set up a body to review the constitution after elections

Moi approved yesterday the appointment of 10 new members of the electoral commission nominated by opposition parties The 21-member board includes 10 Kanu members, with the 21st, chairman Samuel Kivuitu, chosen by the president

Key election issues include national unity in a country of multiple ethnic groups, as well as corruption and development.

Kenya, despite coffee, tea and stunning tourist attractions, remains one of the world's poorest countries.

Moi, in a recourse to a familiar theme, said he had accepted western-style democracy but castigated the west for imposing it on the world's poorest continent — Reuter.

Blood flows on campaign trail in Kenya

(163) Star 20/12/97

Nairobi – It's almost impossible to distinguish between the manifestoes of Kenyan President Daniel arap Moi, and the 14 other candidates who are asking Kenya's voters to make them president on December 29.

But the lack of ideological diversity has not diminished the enthusiasm with which their supporters turn on one another with sticks and stones – or on the candidates themselves if they fail to satisfy public demands for cash in return for votes.

Several people have already been killed or injured in the campaign. Nairobians fear a return to the hooliganism that disrupted the rallies for constitutional reform held earlier this year. At these rallies, middle-class and well-to-do Kenyans were the targets of gangs of youths who took advantage of the political meetings to relieve them of their possessions

Urban Kenyans now observe a new dress code at political rallies Caution suggests the following: no watches or gold chains, running shoes to escape violent charges by the police, a thick jacket to absorb baton blows if you fail to escape, a water bottle for washing teargas out of your eyes, or for drinking if you end up in prison, and clean underpants, in case a television camera captures you being stripped

Facing an opposition that is even more divided than it was in the 1992 election, President Moi is the favourite to win. Aged 70-something, he has held on to office with tenacity and ruthlessness for more than 19 years.

But people who are not in some way beholden to the ruling group are exceedingly nervous at the thought of another five years of rule by Moi and his cronies. They wonder aloud whether Kenya can survive more of the mismanagement and corruption that has devastated what was once east Africa's most successful economy

Moi has recently made some conciliatory noises, especially about getting to grips with corruption But his actions point to business-as-usual after the election. In particular, he has caused outrage by appointing a controversial judge, Zacchaeus Chesoni, to be chief justice.

In 1992, campaign finance floated down from the printing presses, sending the economy into a sharp inflationary spiral. This time Moi is raising money by more conventional means On December 6 the ruling party invited 1 500 businessmen to lunch at a Nairobi hotel For the honour of sitting next to the president at the top table, they were asked to cough up $80 000. Others were reported to have contributed something like $1 500 each The event raised a total of $1,6-million – not bad for one of the world's poorest nations

Most Kenyans seem pretty confident that Moi and his party will win the election They are much less certain about the state of the nation The economy is in bad shape, and life is made harder by the unusually heavy rains that have rendered many roads impassable and disrupted Kenya's already shaky telephone and electricity services Workers are restive The health and education services are in crisis Entrenched corruption and an overburdened judiciary mean that almost nothing gets done when it should.

Getting the country going again will be a task to test the talents of the man who likes to call himself "Africa's foremost professor of politics" – The Economist

(163)

Moi favoured for another win

CT 22/12/97

NAIROBI: President Daniel arap Moi hunted for votes in key areas yesterday as he entered the last week of campaigning for Kenya's elections on December 29.

The fit 73-year-old is brimming with confidence as he takes on 14 challengers vying to end the political career of one of Africa's last "Big Men".

Moi, in power since 1978, is seeking a final five-year term in which he says he would eliminate official corruption, Kenya's greatest scourge and a major campaign issue.

In the absence of reliable opinion polls, most foreign experts and many independent analysts say Moi and his Kenya African National Union (Kanu) are favourites to win the presidency and a parliamentary majority.

But Moi has a fight on his hands to win in the first ballot and avoid an unprecedented second-round run-off against whoever emerges as his leading challenger. To avert this, he must collect at least 25% of the vote in at least five of Kenya's eight provinces.

"Kanu has already won, so please do not waste your vote. Vote for Kanu and myself," he told a crowd in Kisumu, capital of the mainly hostile Nyanza Province.

Former vice-president Mr Mwai Kibaki, leader of the Democratic Party, has proved to be the best-organised opposition candidate. Ms Charity Ngilu, the first credible woman candidate for the presidency, has strong backing from her Kamba people. Her campaign has an amateurish look, but her greatest threat to Moi is that she could prevent his gaining 25% of the vote in Eastern Province.

Mr Kenneth Matiba, who came second to Moi in 1992, is boycotting the polls, saying they will be rigged.

Torrential rains have left rural roads almost impassable in many areas, threatening balloting. — Reuter

Kenyan polls violence claims two more lives

ET 23/12/97 (163)

NAIROBI: At least two people died in weekend violence linked to campaigning for the December 29 general elections

The deaths occurred when about 50 unidentified youths attacked about 100 supporters of Mr Raila Odinga, the opposition National Development Party (NDP) presidential candidate, in Kisumu in the west on Saturday.

The supporters were attacked as they took shelter from heavy rains that had interrupted an evening NDP rally in Kisumu, the party's heartland.

They retaliated, killing one of their attackers, a police spokesman said. The attackers fled through the town, beating people indiscriminately and killing a man. Another was seriously injured.

The Daily Nation newspaper said yesterday that the "attackers were linked to President Daniel arap Moi's ruling Kenya African National Union (Kanu)", but there was no police confirmation of this.

'Attackers were linked to President Moi's ruling Kanu party.'

The police spokesman said 100 incidents of election-related violence, involving five deaths and 61 arrests, had been reported since mid-November

Electoral Commission chairman Mr Samuel Kivuitu said he had told party leaders to attend an important meeting tomorrow to discuss the violence

"It is essential we meet them as the remaining days are of the greatest significance to the sovereignty of Kenya," he said.

There were conflicting reports about violence at an opposition Safina party rally in the north-eastern town of Garissa on Sunday. Newspapers said 10 people were injured by Kanu supporters

Safina officials here said armed Kanu supporters had approached the rally, but were dispersed peacefully Police had advised the rally organisers to leave the town immediately after the rally, they said

The KTN television channel and newspapers said not police were involved later in running battles with armed youths

The police, however, said there had been no violence, only "angry words" between Safina and Kanu supporters.

Although the campaign has been less violent than that in 1992, there has been serious trouble in Trans-Mara area in the south-west, where it has been reported that 50 people died in ethnic fighting between Masai and Kisii tribesmen last month

Noting that about 1 000 people died in the Rift Valley during the 1992 campaign, some analysts have linked these clashes and those on the Indian Ocean coast around Likoni in August and September to this year's campaign

Safina complained that the state-owned KBC television station had cancelled a party political broadcast on Saturday, ostensibly because it "did not believe the 25-minute programme met the standards of KBC production" Rejecting this as an "excuse", party treasurer Ms Njeri Kabeberi said KBC had carried a Safina programme earlier in the week.

The East African weekly newspaper said the programme's criticism of Moi had angered media functionaries close to the president and leading Kanu officials

Kivuitu said heavy rains, blamed on the El Niño phenomenon, meant voting would not be "as smooth as possible" in some areas His commission had hired helicopters to ease problems — Reuter

Malaria kills 143 in Kenya (163)

ARG 24/1/98

Nairobi – A deadly strain of malaria has killed 143 people in northeastern Kenya in the last three months, provincial commissioner Maurice Makhanu said.

"The medical authorities tell me it is a special type of malaria," he said "We had serious floods here. Now they are subsiding and there are a lot of mosquitoes."

Newspapers reported that a "mystery disease" with symptoms of fever, diarrhoea and bleeding from the nose and mouth had struck Kenya's northeast province, raising fears of an outbreak of the deadly Ebola virus. But Makhanu said Kenya Medical Research Institute officers had confirmed it was malaria

Malaria is endemic to Kenya, but recent heavy rains caused in part by the El Nino weather effect have significantly increased the incidence of many water-borne diseases The World Health Organisation said last week that 555 people had been killed by cholera in Kenya since the end of June. – Reuters

CAPE ARGUS, **FRIDAY**, DECEMBER 26, 1997

Kaunda held over coup bid

Ex-president vows to fast until charge laid

(163) ARG 26/12/97

Lusaka – Former Zambian president Kenneth Kaunda, who led the country to independence in 1964, spent Christmas in prison after being detained by paramilitary police.

Mr Kaunda, 73, agreed to go to police headquarters for questioning three hours after about 40 policemen armed with assault rifles surrounded his suburban Lusaka house at dawn yesterday morning

Once in custody, Mr Kaunda was ordered detained for 28 days under provisions of the state of emergency that followed a failed coup attempt on October 28 against his successor Frederick Chiluba

Wezi Kaunda, the former president's eldest son, said yesterday that his father would refuse to eat until he had been brought to court or faced specific charges

Dr Kaunda's detention came four days after he returned to the country from a lengthy lecture tour. He was away when mutinous soldiers seized control of the state radio studio on October 28 and broadcast they had overthrown Mr Chiluba

Loyal troops quickly crushed the rebellion and Mr Chiluba declared the state of emergency

Opposition groups accused Mr Chiluba, who ousted Dr Kaunda from 27 years in power in the nation's first multiparty election in 1991, of using the emergency declaration to crack down on political enemies

Wezi Kaunda said his father was being held in a communal cell with more than two dozen men facing criminal charges

"The conditions in there are terrible It is lice-infested," he said

Sacika Sitwala, a lawyer for Dr Kaunda's opposition United National Independence Party, accused police of "a breach of trust" in detaining Dr Kaunda, who has insisted he knew nothing about the coup attempt

Police stood guard on main streets throughout the capital in an unusual display of force Dr Kaunda was transported in a high-speed convoy of pickup trucks filled with the armed paramilitary police At the prison police formed a cordon to hold back about 500 people gathered outside.

"I appeal to everyone to remain calm," Dr Kaunda said, waving his trademark white handkerchief at the crowd before disappearing into the holding prison. – Sapa-AP

Murder and riots as rivals fight ahead of Kenya general election

(163) ARG 27/12/97

Nairobi – Police have fired teargas to separate rival party supporters who clashed following an election rally by President Daniel arap Moi in western Kenya.

Witnesses said trouble broke out yesterday as Moi was leaving Homa Bay in Nyanza province after speaking to a crowd of about 1 000

"When he left some of his officials called for the Kanu (Kenya African National Union party) salute and when some people refused to give it, fighting started," one witness said.

Nyanza is regarded as a stronghold of the National Democratic Party (NDP) of Raila Odinga, one of 14 presidential candidates standing against Moi in Monday's general election

Odinga draws the bulk of his support from western Kenya's large Luo tribe

Witnesses said youths identified as Kanu activists had earlier roamed through the town press-ganging residents into attending the rally

In Kisumu, farther north along the shore of Lake Victoria in Nyanza, police fired teargas to disperse around 200 Kanu supporters protesting against the murder of a party candidate for Monday's local elections

Police said Oayere Katuku was gunned down on Thursday night by unknown assailants as he left a bar

Other officials said privately that he had been killed by his own supporters because he had not distributed enough of his election campaign fund to them

Kenya goes to the polls on Monday to elect a new parliament and president for a five-year term and to vote for hundreds of candidates standing in civic elections

Moi, 73, and in power since 1978, is widely expected to lead his Kanu party to victory in what will be only Kenya's second multiparty election since independence in 1963

Moi's main challengers are former vice-president Mwai Kibaki, Odinga, Kenya's first credible female presidential candidate, Charity Ngilu, and Michael Wamalwa Kijana

The first multiparty poll, in 1992, was marred by violence in which hundreds of people were killed and tens of thousands were displaced

On Wednesday the chairman of the Electoral Commission of Kenya, Samuel Kivuitu, summoned the five leading political parties to discuss incidents of campaign violence

The parties later condemned the violence but clashes continue to be reported across the country

With just two days to go before the polls, campaigns are hotting up and Kibaki, a wealthy businessman, is spending huge sums of money on advertisements

"Stand up for Kenya – it's time to make your vote count," read one ad in the Daily Nation

"Soon we shall all eat – it's time for all to eat It's time for an economist," added another.

Kibaki is promising to stamp out corruption and share the national cake with the country's downtrodden. – Reuters

New era for white Kenyans

LOUISE TUNBRIDGE: Nairobi

(163)

"IT'S the Kenya Cowboys, the KCs, who give us a bad name," said Chris Murton, eyeing a group of young men and women swaggering noisily into the Racecourse Restaurant

"The KCs treat Kenya as a playground. We've got to come out of the shadows, get off the fence and show that white Kenyans are not afraid of taking positions of responsibility"

As general manager of the Jockey Club, one of Kenya's oldest British colonial institutions, that runs Nairobi's 162ha racecourse, Murton, 35, sounds almost radical in his views

The son of Kenya's last white police chief inspector, he was ready to stand in next Monday's general elections in his home area of Langata — but bungling by the Social Democratic Party made him narrowly miss the parliamentary nominations deadline

In the tiny community of Kenyan citizens of European origin, not more than 5 000 strong, he represents a new generation that feels uncomfortable with the attitudes of its conservative forefathers

Even the residents of the Nairobi suburbs of Langata and neighbouring Karen, named after the Danish settler Karen Blixen, characterised by large houses and sprawling gardens, can no longer ignore the effects of the stagnation of public services in the country

In a parochial kind of unilateral declaration of independence, residents are paying their rates to the Karen-Langata District Association, which is pursuing a court case against the city council for failure to collect the rubbish, repair the roads, ensure water and electricity supplies, and keep the street lights on Activists like Murton are working out ways of providing and paying for their own services

"There are more white rhino than there are white Kenyans but we're not an endangered species," he says "Since independence most of us have shied away from politics It's no good sitting and moaning when you see things going downhill, we've got to do something"

More white Kenyans are expected to vote in these elections than in the first multi-party polls in 1992

Some have been inspired by the famous conservationist Richard Leakey, himself a third generation Kenyan, who threw himself headlong into politics as secretary-general of the opposition Safina party

Safina, meaning Noah's Ark in Swahili, had a stormy entry into the political fray Leakey was whipped and beaten by policemen and supporters of the governing Kenya African National Union (Kanu) party when he announced his intentions in 1995 The party was given last-minute clearance to contest the elections just four weeks ago

But glorification of Kenya's colonial past still colours the vision of many Europeans' present day reality

And fear of a backlash is a strong deterrent to political involvement for white Kenyans. The whole community heard when police raided Dominic Martin's printing premises and destroyed the presses he was using to print opposition magazines.

President Moi has accused Leakey of being a racist seeking to reimpose colonialism "You can marry our women," Moi said, "but no to politics"

ST 28/12/97

Countdown to election erupts in violence

A woman poses the biggest threat to Moi's 19-year-old dictatorship

(1137)

LOUISE TUNBRIDGE. Nairobi

ST 28/12/97

TWO more people were killed and scores injured in campaign violence between the ruling Kenya African National Union party and opposition supporters in western Kenya on Friday, press reports said yesterday

The dead included the chief campaign manager in Gucha district of the opposition Safina party, Richard Manyange, who was beheaded when his supporters clashed with Kanu youths A 20-year-old supporter of the opposition Kenya Social Congress, Salim Getuno, was stabbed to death in Nyaribari-Chache constituency in Kisii district when Kanu youths set upon him and a colleague with swords, machetes and sticks The colleague was seriously injured

In Kisumu, a local council Kanu candidate was shot dead by police who were trying to detain robbery suspects, one of whom also died in the shooting

The deaths brought to 12 the number of people killed since campaigning kicked off on December 10 for tomorrow's general election

Other campaign violence was reported from Homa Bay and from Bungoma and Kakamega districts in Western province and Machakos in Eastern province

Many locals say the violence has been whipped up by Moi's Kanu politicians

Jeremiah Nyakundiah, a Roman Catholic priest at Nyangusu, said private armies run by Kanu leaders were stirring up the trouble

"More than 70 Masais were camped just near here They were dressed in civilian clothes and terrorised the people Most were ferried in from outside There is some power behind them "

Masais have taken over the shops and businesses owned by some of the 10 000 Kisiis who fled from Kilgoris when fighting broke out a few weeks ago Having left the town where they were registered as voters, they will not be able to participate in the election

In the affected villages, election excitement has given way to fear of further bloodshed Just outside Kisii, 30 young men clutching home-made bows and arrows and returning home after burying a comrade were thirsting for vengeance

"We are bitter We are fighting the Masai and the government I think I speak for all the people when I say we are looking for revenge," said one of their leaders

Attempts by Charity Ngilu, the businesswoman and mother of three who is taking on Moi in the election, to visit the troubled area were thwarted by armed police

"Moi is hated here and he doesn't want us to get to those areas and see us get votes from there," she said "He is the one who caused the violence, he's done it before "

In the run-up to Kenya's last elections in 1992, hundreds of people were killed and tens of thousands displaced in tribal clashes Human rights groups concluded that senior Kanu politicians had instigated the violence in an attempt to manipulate the outcome of the vote

This time, the government promised the elections would set a model for Africa A new code of conduct binds parties and candidates to keep the peace, while police and local administration officers are forbidden from interfering in campaigns

But legal reforms have barely made a dent in established political culture in Kenya, where Kanu has held power for more than 30 years Off the beaten track, where most of the electorate lives, violence is commonly used as a tool of persuasion

Ngilu's reception by the poor, downtrodden populace has emerged as the biggest threat to the 19-year-old Moi dictatorship

"This is a new beginning," she told a cheering crowd in Nairobi last weekend "We are on the way to freedom I will not run the country in the corrupt and illegal way it's been run before "

A vicar's daughter, Ngilu, 45, worked her way up to owning a plastics factory outside Nairobi Business brought her into contact with women's groups and self-help projects

Grateful for her support in fund-raising and development schemes, local people asked her to stand to represent them in parliament

Her five years in the notoriously macho world of Kenyan politics have earned her a reputation as a match for any man She slapped the face of a government officer trying to disrupt one of her meetings, forced her way through a line of baton-wielding policemen, and hitched up her skirt to run from tear gas during pro-democracy protests last summer

Standing for the new Social Democratic Party, she is seeking a one-term mandate to redraw the political system and remove power from the clutches of one man Her next priority, she promises, will be the battered economy

Disillusioned because the rich have grown richer and the poor more desperate despite five years of democracy, many ordinary people are enchanted by her fresh approach

A Nairobi housewife said 'It's not because she's a woman, it's because she's clean and honest and not selfish "

A man from western Kenya said "We've seen what men do, they've failed, so let's give women a chance When we go home to our wives we're now being told who to vote for "

Ngilu's name will be listed among 16 presidential aspirants on the ballot paper to be deciphered by voters tomorrow

The opposition's failure to unite is one of Moi's greatest advantages But Ngilu's entry in the race upsets his advisers' delicate arithmetic calculated to keep Moi, 73, and Kanu in power To win, the rules say he must garner at least a quarter of the votes cast in five of the country's eight provinces Failure to win outright would force a second round run-off between the top two candidates

"If it's Moi and me, I'll win," says Ngilu

FACT FILE

Population 28,8 million people
Capital Nairobi
Official languages English and Swahili
Religion Muslim 10 percent, Catholic 23 percent, Protestant 52 percent, Asian and traditional religions 15 percent
History British colony until December 12 1963 First president, Jomo Kenyatta, died in office, August 1978
Political institutions Presidential regime with a unicameral parliament Single-party state until 1991
GDP R1 200 a head

OUT WITH MOI: A Masai woman shows her support for Democratic Party candidate Mwai Kibaki ahead of Kenya's elections tomorrow **Picture: AP**

Kenyan voters vent anger on officials after polling

Nairobi – Angry voters shouted at officials as polling stations opened up to four hours late today in Kenya's second multi-party election in 31 years.

President Daniel arap Moi was counting on Kenyans' fear of the violence that has swept through neighbouring countries to win a fifth, five-year term. In a final campaign message, the 73-year-old urged the 9 million registered voters to go to the polls "with sober reflection that will ensure continued peace and stability for our country".

Long lines had formed outside polling stations before the scheduled opening time of 6am, but many voters were disappointed The Electoral Commission reported problems at numerous polling stations – some ballots were delivered late and to wrong locations It was considering extending voting hours beyond 6pm (local time).

At a primary school in Nairobi's Westlands neighbourhood, police struggled to control crowds shouting angrily at election officials who delivered the wrong ballot papers

In western Kisumu, Hannington Dache waited impatiently in a line 250 people long "The exercise is very, very slow, and people as old as I will get tired and walk away before they vote," the 70-year-old said

Scores of election observers watched the confusion Armed police were posted outside voting stations, a sign of the violence that has marked the campaign

Mr Moi, who voted in Tanbui, near his rural home in central Kenya, had to be reminded to cast a ballot for his parliamentary seat Kenya's president for 19 years has not faced legislative opposition since 1966

"We are winning," Mr Moi said after dropping his ballots into sealed boxes Commission Chairman

(163) ARG 24/12/97

Samuel Kivuitu said results would be announced three days after polling But counting was to begin immediately after voting closed and other officials expected results sooner

The campaign closed yesterday with reports of three murders in the volatile south-west, breaking a national pattern of relative peace – Reuters

station delays

Moi still the man to beat as Kenya goes to the polls

BD 29/12/97 (163)

NAIROBI — Kenyan President Daniel arap Moi wound up his re-election campaign yesterday, confident that he will lead the troubled country into the 21st century

Despite a prolonged effort to unseat one of Africa's last "big men" in today's polls, 73-year-old Moi was still favourite to extend his 19 years in power for a further five But he is unlikely to emerge as more than a minority leader in a country where many of the 9-million voters are driven by tribal loyalty and where anger over corruption and crumbling public services is intense.

Kenya has no history of accurate opinion polls, but the most plausible gives Moi about 40%, twice that of his closest challenger, former vice-president Mwai Kibaki

The winner inherits an economy thrown off course by years of political infighting, bad management and a level of official graft which even Moi finds unacceptable

If Moi is elected to a fifth and final term, he knows the existing factions in his Kenya African National Union may take their fight to succeed him into the open

"I think it will be a furious struggle for the succession And it will not be over in six months, a western diplomat said.

Under Kenya's constitution, the presidency has far greater powers than parliament But if the ruling party fails to win a majority in the new 222-seat national assembly, the opposition will have leverage over the incumbent at State House

Moi is probably more concerned about the risk of a run-off than about defeat. If no candidate wins at least 25% in at least five of the eight provinces on the first ballot, the top two will go head-to-head within 21 days

The outcome of such an unprecedented contest is anybody's guess, explaining why Moi's energies and the party's war chest have concentrated on marginal areas where he is most vulnerable

The opposition has already cried foul, saying years of diversion of state resources to the ruling party and daily propaganda in state media will prevent a fair poll

They also attacked Moi's promotion this month of Zacchaeus Chesoni from chairman of the electoral commission to chief justice. Chesoni is perceived as a Moi loyalist and in his new job will swear in the next president and rule on any challenges about the fairness of the elections

The defeatist mood in the opposition camp, and the call for a boycott by veteran dissenter Kenneth Matiba, could lead to a low turnout, to Moi's advantage

In 1992, in Kenya's first real multiparty elections since independence from Britain in 1963, the turnout was 67% — impressive by any standards But this time, the opposition claims, millions of Kenyans are disenfranchised by unfair voter registration

The electoral commission figures show that about 70% of the potential electorate can vote at 12 754 polling stations.

With 28 000 independent observers on duty today and a counting process that looks fine in theory, new electoral commission chairman Samuel Kivuitu says there is no danger of crude rigging in the final lap

Yet the campaign has seen many cases of vote-buying and defections by candidates whose motives appeared pecuniary.

More than one opposition parliamentary candidate claims to have been abducted and intimidated by sympathisers of Moi's party. One says she was personally telephoned by Moi during her overnight detention in a police station and encouraged to withdraw.

Despite several deaths, campaign violence has been insignificant compared with 1992 One reason may be the package of reforms agreed in the run-up to the polls, which for the first time allowed opposition parties to campaign freely. — Reuter

HOPES RAISED: A supporter of presidential candidate Charity Ngilu carries a poster of her at a rally in Nairobi on Saturday Ngilu failed to show up, although several hundred supporters waited hours for her She is one of the main opposition candidates hoping to oust President Daniel arap Moi in today's polls **PICTURE: AP**

THREE DIE IN VOLATILE SOUTH-WEST

Clashes before Kenyan poll

(163)

NAIROBI: Despite facing 13 candidates in the presidential elections today, President Daniel arap Moi is still regarded as the favourite to win and extend his 19-year rule.

KENYA'S election campaign closed yesterday with reports of three murders in the volatile south-west, breaking a national pattern of relative peace on the eve of today's polls

Hours after police Commissioner Duncan Wachira said his force was deployed to prevent violence, police in Kisii said ethnic clashes linked to the elections had claimed more victims

Police in the same western province of Nyanza said one police officer and an unknown number of civilians were injured in election clashes in the lakeside town of Homa Bay

Tension has risen in the run-up to the polls as rival parties, calling on tribal loyalties, seek last-minute support

Voting in the presidential, parliamentary and civic elections starts at 6am today and continues for 12 hours

President Daniel arap Moi, 73, and in power since 1978, is generally seen as the favourite after a campaign dominated by issues of corruption and the crumbling state of the country's infrastructure

Wachira said yesterday that his officers would cover each of the 12 754 polling stations and he had set up quick response units to deal with any violence

"We are deploying practically every man and woman we have in the force We have taken every measure to ensure security on the ground is sufficient to meet challenges we may face today," Wachira added

Moi faces 13 candidates for the presidency after Stephen Omondi Oludhe of the tiny Economic Independence Party withdrew from the race yesterday

Oludhe said he would backMoi Kanu (the ruling Kenyan African National Union party) is battling 22 other parties for the 210 elected seats in the national assembly

The electoral commission said earlier it had finalised arrangements for the poll, including security and delivery of ballot boxes, and appealed to Kenyans to vote

The capital, Nairobi, was calm yesterday apart from a brief clash between stone-throwing youths in the Westlands area

The leading opposition candidate, former vice-president Mr Mwai Kibaki, drew a crowd of 10 000 in Nairobi

Kibaki appealed to all Kenyans dissatisfied with Moi's 19-year rule to vote for him and his Democratic Party "Everything has an end and Kenyans know that," he told the crowd at Uhuru Park "Now is the time for Moi's end "

Moi held his final rally of the campaign in his home Rift Valley province earlier yesterday, addressing about 2 500 at Naivasha He said later he would make fighting unemployment and corruption his key priorities if re-elected.

The other main candidates for the presidency are Ms Charity Ngilu, Mr Raila Odinga and Mr Michael Wamalwa Kijana

Police blamed the killings in Kisii on a gang of Maasai men who attacked Ekona Yangare village, murdering three members of an ethnic Kisii family with cutlasses and wounding four

The area in Nyanza Province, known as Trans Mara, has been the most violence-prone in the country in the build-up to the elections Moi declared it a security zone last week until after the poll.

Some residents said yesterday's killings were sparked by Kanu supporters trying to intimidate Kisii residents into not voting

"People are very scared about what might happen tonight," said one resident "They (Kanu) don't want us to vote because they know we won't vote for them "

The Maasai, Kisii and Luo have frequently clashed in Nyanza over land and grazing rights

When he won the 1992 elections, Moi fared badly in Nyanza, winning less than 15% of the vote in the province

To win today's race, Moi must finish in first place nationally and win 25% of the ballot in at least five of Kenya's eight provinces

Wachira said violence in this year's campaigning had been "far, far less" than before the landmark pluralist polls of 1992, when rival party supporters fought pitched battles across Kenya leaving hundreds dead and tens of thousands displaced

There have, however, been increasing reports of vote buying, intimidation and violence and local newspapers say at least six people have been killed in the week leading to voting day — Reuter

CT 29/12/97

Elections the key to economic recovery

NAIROBI: Kenya's general elections are the key to reversing the economic losses of the past five months, financial analysts say.

The losses followed an International Monetary Fund decision, taken in reaction to poor governance and corruption in Kenya, to halt an aid package.

Analysts said a strong mandate for the election winners would end uncertainty. If an economic team were put in place almost immediately, this would boost local financial markets and lead to the reopening of negotiations with the IMF

"We want to get on with business in a stable environment," said Mr Chris Kirubi, vice-chairperson of the Kenya Association of Manufacturers and a member of the presidential advisory economic commission.

"This is an opportunity for a fresh start, (to) regain stability, talk to the IMF and win back investor confidence."

The IMF suspended a $205-million (R994,25m) three-year aid package under its Enhanced Structural Adjustment Facility in July. The decision sent the Kenyan financial markets into a tailspin and the currency depreciated 25%.

On corruption, President Daniel arap Moi said: "I intend to see that the anti-corruption unit I set up recently goes about its work seriously and that the law is followed to the letter, irrespective of who is involved "

Finance Minister Mr Musalia Mudavadi said on Friday that a new government would try to reopen talks with the IMF, a step that would help boost confidence in Kenya's economy.

"People tend to delay major investment decisions because they are waiting to see the election results," Mudavadi said.

He suggested that wooing investment would be one of the major tasks of a new finance minister

Containing a ballooning budget deficit is counted among the challenges for the next government. Mudavadi wants the deficit to be kept at 1,7% of the gross domestic product (GDP) but salary increases for civil servants, teachers and the armed forces and the slump in tourism could undermine this

Bank governor Mr Micah Cheserem said that whoever won the election would have to look seriously at the economy.

"We can't have another five years of ... confrontation," he said. — Reuter

Kaunda in court again to apply for bail

(163)

Sowetan 30/12/97

Zambia's ex-dictator says hunger strike has made him physically weak, spiritually strong

LUSAKA – Detained former Zambian president Dr Kenneth Kaunda, accused of involvement in a coup plot, made his second appearance in the Lusaka High Court yesterday to apply for bail

Proceedings were postponed to Friday after one of his lawyers, Mr Daniel Lisulo, collapsed in the courtroom as he was about to conclude submitting an application for Kaunda's release on bail

Lisulo is known to suffer from hypertension

"It is my suggestion that the applicant could be, in the court's order, put under house arrest at his home in Kalundu," he had said before collapsing

Lisulo urged the court to grant bail to Kaunda because of his status and stature

"Here we have to look at the applicant's status and stature He fought for this country's independence," Lisulo noted, adding that Kaunda had been the country's first prime minister and president and now was an internationally acclaimed statesman

Kaunda (73), who has been on hunger strike since his arrest on Christmas Day, looked weak, tired and pale He has still not been formally charged He was arrested two days after his return from abroad, on suspicion he was part of the abortive October 28 coup attempt

He told hundreds of his supporters who had gathered at the court that he was physically weak but was in high spirits

'Physically, I am very weak, but spiritually I am strong," Kaunda told his chanting backers when he entered the courtroom waving his traditional white handkerchief

Dressed in white-and-black striped golf T-shirt with the same green pair of trousers he wore last Friday, Kaunda warned President Frederick Chiluba's government that its days were numbered

"This is the beginning of their end They cannot win this one," he said, adding that he was not bitter

"Events are unfolding Let them produce evidence We will teach them a lesson they will never forget, but it must be peaceful, we are winning this one," Kaunda told his cheering supporters

His supporters were in a confrontational mood but remained calm amid tight security which included mounted police – *Sapa-AFP*

Mass confusion as Kenya goes to polls

(163)

Sowetan 30/12/97

NAIROBI – Angry voters shouted at officials yesterday as polling stations opened up to four hours late in Kenya's second multi-party election in 31 years

President Daniel arap Moi was counting on Kenyans' fear of the violence that has swept through neighbouring countries to win a fifth, five-year term

In a final campaign message, the 73-year-old urged the nine million registered voters to go to the polls "with sober reflection that will ensure continued peace and stability for our country"

Long lines had formed outside polling stations before the scheduled opening time of 6am, but many voters were disappointed

The Electoral Commission reported problems at numerous polling stations – some ballots were delivered late and to wrong locations It was considering whether to extend voting hours beyond 6pm

At a primary school in Nairobi's Westlands neighbourhood, police struggled to control crowds who shouted angrily at election officials who delivered the wrong ballot papers

In western Kisumu, Hannington Dache waited impatiently in a line of 250 people "The exercise is very, very slow, and people as old as I will get tired and walk away before they vote," the 70-year-old said

Scores of election observers watched the confusion Armed police were posted outside voting stations, a sign of the violence that has marked the campaign

Moi, who voted in Tanbui, near his rural home in central Kenya, had to be reminded to cast a ballot for his parliamentary seat Kenya's president for 19 years has not faced legislative opposition since 1966

"We are winning," Moi said after dropping his ballots into sealed boxes

Commission chairman Samuel Kivuitu said results would be announced three days after polling Counting was to begin immediately after voting closed, however, and other officials expected results sooner

On the eve of the national voting holiday, three people were killed and four wounded in ethnic violence in southwest Kenya, police said

About 50 people were killed in the Trans Mara area in the weeks before the election – *Sapa-AP*

Kenya poll threatens to descend to near farce, say observers

Star 30/12/97 (163)

Delays, poor organisation and ballot-paper mix-ups to blame

Reuters
Nairobi

Kenyans resumed voting today in an extended general election that started badly and has threatened to descend into near farce

Citizens who were unable to vote yesterday because of poor organisation, logistical problems, ballot paper mix-ups or just the crush of numbers, would get the chance to do so today, the Electoral Commission ruled

In areas where polling had been carried out relatively smoothly, counting was due to begin at 8am

Queues of voters began forming in Kisii in southwestern Kenya from as early as 5am Many had camped overnight outside polling stations, suspicious that ballot boxes would be tampered if they didn't keep watch

In Kiharu constituency in Central Province, local party agents informally agreed that counting could begin last night Counting officers report that opposition leader Mwai Kibaki, a former vice-president, had taken a clear lead in the presidency race

The official decision to delay counting until today enraged opposition leaders, who accused President Daniel arap Moi's ruling Kenya African National Union (Kanu) party of manipulating the vote

"The Electoral Commission has been infiltrated and it is being manipulated by the government with the intention of distorting the results of this election," Kibaki, Moi's main challenger, told a news conference late yesterday

The election, in which Moi is seeking a fifth five-year term, is seen as critical to reversing the economic losses of the past five months in a country once known as an oasis of stability in East Africa, one of the poorest regions of the world

Moi (73), faces 12 other candidates in the race for the presidency and, in the parliamentary elections, Kanu is battling 22 other parties for the 210 elected seats in the National Assembly

Opposition leaders threatened to reject the results and warned of possible violence if there was any evidence of poll rigging

Opposition leaders may reject the results

Kibaki urged his supporters to remain peaceful but cautioned that trouble could result if the will of the Kenyan people was subverted

"There will be action, very serious action," he said

A statement issued by Kenyan election observers yesterday said there had been "major shortcomings in the voting exercise", including ballot paper mix-ups and shortages, voter names missing from registers and lengthy delays in the start of polling

There were only scattered reports of violence yesterday. Poll observers, politicians and ordinary Kenyans said voting was far more peaceful than in Kenya's landmark multiparty polls in 1992

Central Nairobi was calm early this morning but tension was reported to be high in some areas as opposition supporters tried to prevent any interference with the ballot boxes

The runup to the elections was marred by violent protests in mid-year as an opposition-backed lobby called the National Convention Executive Council (NCEC) led a campaign for constitutional reforms

Moi took the steam out of those protests when he agreed to a set of reforms designed to create a level playing field for the general election

The Kenyan economy suffered a serious blow at the end of July when the International Monetary Fund (IMF) suspended a \$205-million loan to reinforce its protests over corruption and poor governance

Moi, in power since 1978, has promised to stamp out corruption if re-elected He set up an independent Anti-Corruption Authority in December

Ethnic violence on the coast in July and August, in which at least 65 people were killed, dealt a serious blow to the tourist industry, the country's top foreign exchange earner

In the presidential poll, the winner must gain the highest number of votes and also get 25% of the vote in at least five of Kenya's eight provinces

Failing that, the top two will enter a run-off to be held within 21 days The 25% rule will apply if there is a second round

Nyerere adds pressure for Kaunda's release

Star 30/12/97 (163)

Lusaka – Former Tanzanian president Julius Nyerere arrived in Lusaka yesterday from Dar es Salaam to urge authorities to release Kenneth Kaunda and defuse the current political crisis

Officials in Dar es Salaam said Tanzania's founding president had been mandated by the Southern Africa Development Community (SADC) to plead for the release of Zambia's first president

A Zambian foreign affairs ministry spokesman said Nyerere, elder statesman and mediator in the Burundian civil war, would discuss Kaunda's detention with President Frederick Chiluba and other top officials

Kaunda was detained five days ago on allegations of involvement in a coup plot He appeared before the high court yesterday and sought to be placed under house arrest before his hearing

His lawyers urged the court to consider Kaunda's status and stature as the founding father of Zambia and an internationally-acclaimed statesman, and grant him bail.

The case was adjourned to Friday after Kaunda's chief lawyer Daniel Lisulo, who suffers from hypertension, collapsed in court

Kaunda (73), who has been on hunger strike since his arrest on Thursday, looked weak, tired and pale He has still not been formally charged He was arrested last Thursday, two days after his return from abroad, on suspicion he was part of the abortive October 28 coup attempt

He told hundreds of highly vocal but restrained supporters outside the Lusaka High Court that he was feeling physically weak but remained in high spirits

Dressed in white-and-black striped golf T-shirt with the same green pair of trousers he wore last Friday, Kaunda warned Chiluba's government that its days were numbered

Security outside the court was extensive and included mounted police Kaunda is represented by seven lawyers including some of the country's top counsels. – AFP

Nyerere, SADC back call to free Kaunda

(163) ARG 30/12/97

Lusaka – Former Tanzanian president Julius Nyerere has arrived here from Dar es Salaam to urge authorities to release Kenneth Kaunda and defuse the political crisis.

Officials in Dar es Salaam said Tanzania's founding president had been given a mandate by the Southern Africa Development Community (SADC) to plead for the release of Zambia's first president.

A Zambian Ministry of Foreign Affairs spokesman said Dr Nyerere, elder statesman and mediator in the Burundian civil war, would discuss Dr Kaunda's detention with President Frederick Chiluba and other government officials

Dr Kaunda was detained five days ago on allegations of involvement in a coup plot He appeared before the high court yesterday and asked to be placed under house arrest pending his habeas corpus hearing

His lawyers urged the court to consider Dr Kaunda's status and stature as the founding father of Zambia and an internationally acclaimed statesman, and grant him bail The hearing was adjourned to Friday after Dr Kaunda's chief lawyer, Daniel Lisulo, who has hypertension, collapsed in court.

South Africa, which heads the SADC, was the first state to react to Dr Kaunda's arrest, calling for his immediate release. – Sapa-AFP

Clamp on Kaunda's son

Lusaka – Zambian immigration authorities have confiscated the passports of one of Kenneth Kaunda's sons, Wezi, his wife and an aide.

The state-owned Zambia Daily Mail said today the passports of Major Wezi Kaunda, wife Dedri and Stan Muntanga, a member of the central committee of Dr Kaunda's United National Independence Party, were seized yesterday when they tried to cross into Zimbabwe

Mr Muntanga is also one of Dr Kaunda's aides

Mr Wezi Kaunda confirmed the seizure of the passports at the Chirundu border post, saying no reason was given

He denied he was trying to flee the country and said he was going to attend to family issues in Zimbabwe where his two sisters and a brother lived His three-year old daughter, Tengwera, was now stranded in Zimbabwe – Sapa-AFP

Chaos reigns in Kenyan poll

Fiery presidential candidate uncovers irregularities

(16A) ARU 30/12/97

ROSS HERBERT
FOREIGN SERVICE

Nairobi – Charity Ngilu, the fiery political newcomer hoping to win the Kenyan presidency, defied police to shoot her over a cache of blank ballot papers and burnt voter cards that she had uncovered and which police tried to confiscate.

The dramatic stand-off, reported in the government-owned Daily Nation newspaper, was part of widespread chaos and irregularities that marred Kenya's second multiparty elections for president and parliament on Monday

So pervasive was the disorganisation that the Kenya Election Commission extended voting a second day, until 6pm today The delay immediately raised fears that the embattled Kanu ruling party would find a way to alter the outcome during the delay

"We are not sure of the security of the ballots overnight We are not sure if voters will continue to vote in isolated areas We are not sure if counting has begun We aren't sure of anything," said Peter Weke, an official at the Catholic Justice and Peace Commission, one of three independent organisations monitoring the elections

President Daniel arap Moi and Kanu have held power for the past 19 years Although deeply unpopular, President Moi managed to maintain power in Kenya's 1992 elections through a convoluted electoral system that allowed him to win with only 36% of the vote He could win again with as little as 25% of the vote in five of eight provinces

ASSOCIATED PRESS

Moment of choice: two Masai women in traditional costume cast their votes in Kajiado, 70km south of Nairobi

Election monitors reported dozens of examples of polling stations opening hours late, some receiving no ballots or ballots bearing the wrong candidates or with insufficient ballots

Others reported no ballot boxes or voter rolls Even in Nairobi, close to Election Commission headquarters, polls opened late with improper or inadequate materials

The election commission added to fears of fraud by ordering that Kenya's highly partisan police guard election materials overnight And instead of counting votes at stations that did open successfully, the commission ordered that no votes be counted until polling ends today

Ms Ngilu, who has found surprisingly broad support running a militant campaign against government corruption, went to the election commission offices in her Eastern Province district to complain of widespread irregularities

There she found a stock of blank ballot papers and a hidden stash of partially burnt voter cards When the responsible official returned, he could not offer an explanation and was photographed exchanging blows with an opposition supporter

Ms Ngilu confiscated the ballots and documents to take them to the election commission in Nairobi, but police intercepted her car and, guns drawn, tried to take the papers

The situation was diffused when a member of President Moi's cabinet happened on the scene and told police to stand down

Meanwhile, at least three people and several vehicles were burnt in clashes between ruling party and opposition supporters

Voter turnout appeared heavier than expected, but officials could not predict what effect the delays and a second day of voting would have

The Safina political party, co-founded by conservationist Richard Leakey, called for new elections to be held within two years

'Mystery virus' sweeps flood-ravaged Kenya

(1635) 30/12/97

GARISSA — Olivier West, a French aid worker from the Medecins du Monde agency, sat in a flood-ravaged field in eastern Kenya and listed the diseases he had found that morning among the local population.

"We've got lots of cases of malaria, cholera, dysentery, bloody diarrhoea," he said, his designer climbing boots sinking in the brown mud left behind after flood waters receded a few days previously "And then we have this — haemorragic fever.

"We've been taking blood samples from dead animals and from humans; we don't know what we're up against yet, but the symptoms are the same Fever, vomiting, bleeding from body orifices, then they're dead in 24 hours "

Experts from the World Health Organisation (WHO), African Medical Research Foundation, Medecins sans Frontieres and other agencies have spent two days in the bush around the towns of Garissa and Wajir in eastern Kenya, taking blood from dying victims and infected livestock.

WHO, Kenyan health ministry experts and the Somali Red Cross say that more than 800 people have died from the disease in the past three weeks In eastern Kenya, more than 80 people have died in the past three days, while around the former Somali capital, Mogadishu, WHO estimates that about 350 people have died in the past three weeks

"We know that there is cross-infection with animals," says Louise Martin, an epidemiologist attached to WHO from the Centre for Disease Control in Atlanta. "The closest possibility in my estimation is that it is anthrax, whose spores have been dormant in the soil until the flood waters washed them out Then the cattle and goats and camels graze on it, and pass on the infection through their meat."

Martin describes seeing infected animals suffering from pustules and running sores

"We found a group of Kenyan Somalis who were about to eat a dead, infected goat," she says, sitting in the clattering noise of a former Soviet Mi-8 helicopter hired by the United Nations (UN) World Food Programme, flown by Ukrainian pilots. "They cut it open and its chest cavity and throat were full of yellow, infected pus We said. 'Eat that and you'll die.' They replied that hunger was worse than death."

The area around Garissa and Wajir consists of thousands and thousands of square kilometres of thinly populated bush The area has been hit by the worst floods in a hundred years There is a cholera and malaria epidemic Roads are washed away There is no medical infrastructure From the tarmac airstrip in the middle of the bush, the UN is running dozens of relief flights every day to deliver aid to flood victims in Somalia and Kenya

"We've been forbidden from eating any local meat for fear of catching the disease," says Stig Larssen, flight coordinator for the World Food Programme. "I've been trying to reassure the pilots and the aid workers, but until we know what this is everybody is very nervous "

"What we are afraid of," says Martin, "is that there are just thousands of people out there in the bush dying." — Sapa-DPA

Kenyan voting extended after opposition claims of rigging

BD 30/12/97 (163)

NAIROBI — Kenya's electoral commission said polling stations would remain open an extra day because of logistical problems during general elections yesterday

Earlier the late start to polling had resulted in the opposition accusing the ruling Kenya African National Union (Kanu) of rigging the elections

"They (Kanu) sense that they are going to lose — they're going to do everything they can to rig the vote," said George Muhoho, campaign director for presidential candidate Mwai Kibaki of the Democratic Party, one of the main challengers to President Daniel arap Moi, who is seeking a final five-year term after 19 years in power

The polls were to have closed last night, but the commission said they would remain open until today at 6pm

The polling stations that experienced problems — including insufficient ballots or ballot boxes and absence of electoral officials — which either opened late or not at all, were nevertheless ordered to close as originallly planned at 6pm last night, to reopen at 6am

"Meanwhile there will be no counting of votes anywhere in the country until further notice," the commission said "Candidates and/or their agents are advised to keep vigilance on the voting materials in the custody and security of the election officials "

The commission said "bad weather conditions" were partly to blame for the delays

Hundreds of polling clerks were notably stranded on the Indian Ocean coast by floods caused by more than two months of torrential rain

In Nairobi, many polling stations had still not opened three hours after the official 6am start.

Officials said voting materials had not yet arrived at some polling stations, staff had failed to turn up at others, and one delayed opening for an hour until daylight because there was no electricity

The official Kenya News Agency, whose correspondents also reported polling stations opening late, reported around midday that voting had still not started in the northeastern Turkana district, where ballot boxes had still not arrived, or in Naivasha, in the Rift Valley, where ballot papers were still awaited.

Regional electoral lists were incomplete at some stations In Nairobi's Westlands constituency, for example, the list omitted all names which began with "W".

About 27 000 observers, mostly Kenyans but including several hundred representing foreign embassies, are watching the voting — Sapa-AFP

COMMENT & ANALYSIS

Opposition hands Moi victory on a plate

As Daniel arap Moi's retention of power in Kenya grows ever more certain, the Financial Times looks at what lies ahead for the East African state

(163) . BD 30/12/97

THIS is what Daniel arap Moi, Kenya's president, said of the country's opposition in 1992 "They will fry in their own fat"

Five years later, his warning is coming true

Yet Moi's rivals are not the only ones feeling the heat The foreign donors who forced him to introduce a multiparty system and privately forecast his downfall are also wondering where they misread the signals

Once regarded as the west's role model in Africa, Kenya is now viewed as a test case for linking aid to good government. But as the country went to the polls yesterday, it seemed clear that Moi, one of the last of a generation of post-independence African autocrats, would have the last laugh.

Polls predict he will emerge as one of the few members of the continent's rapidly diminishing "dinosaur" club to survive two multiparty polls, and that his ruling Kenyan African National Union (Kanu) party will extend its 34-year hold on power

The achievement is all the more remarkable given realities on the ground — rampant corruption, increasing poverty, crumbling roads and strike-hit social services Even as Moi makes pledges, the country is experiencing its worst cholera outbreak in a decade, a measure of the urban squalor that has set in.

In 1992, when Moi had been pressured into accepting multiparty politics by a donor aid freeze and was looking increasingly out of touch, he won at least 25% of the vote in five of Kenya's eight provinces, while his Kanu party got 94 out of 210 parliamentary seats Experts believe he is now heading for a repeat performance in five provinces, thereby meeting the conditions for avoiding a run-off poll, while Kanu could seize up to 120 parliamentary seats

Much of the credit for this can be laid at the opposition's door

Moi warned that multiparty politics would increase ethnic tensions in Kenya, and so it has proved. A glance at the newspapers is enough to reveal that the political debate is regarded almost entirely in terms of tribal positioning, with ideological issues noticeable by their absence

Opposition parties that once embraced several ethnic groups have split on tribal lines Repeated attempts to field a single opposition candidate against Moi have collapsed under the weight of tribal hostilities

Last time, Moi stood against seven candidates This time he has faced 14 His claim that only Kanu enjoys support across the country is substantially correct.

Seeing this, disillusionment and bitterness have replaced the euphoria that swept the country before 1992, when real change seemed possible Election monitors have been alarmed by levels of grassroots campaign violence

But responsibility for maintaining the status quo does not rest with the opposition alone

Moi has proved extraordinarily skilful at maintaining ruling party dominance while conceding many of the principles of a traditional multiparty state

A range of constitutional reforms introduced this year, which took the wind out of a gathering campaign to disrupt the elections, was hailed as a democratic breakthrough by donor countries But if the uncontrolled money-printing that oiled the Kanu campaign and sent the economy into a tailspin in 1992 has been absent this time, the overall system remains heavily tilted in Kanu's favour

Many of the constitutional changes are ignored on the ground or were introduced too late to make a difference

For example, the previously banned Safina party was registered a month ago, hardly time enough to organise a campaign The electoral registration process omitted between 2-million and 3-million young new voters, likely to vote for the opposition. The constituency carve-up favours the establishment and the state media stubbornly devotes the lion's share of coverage to Moi

Opposition appointees are still in the minority on the election commission overseeing the polls, explaining the body's feeble response to growing complaints of vote-buying, bribery and civil servant bias And Moi has exploited his access to state resources to provide the electorate with a multibillion-shilling sweetener — unbudgeted wage increases for the civil service

Several opposition parties are threatening not to recognise results handing victory to Moi But his return seems assured enough for public attention to be increasingly swinging from the actual vote to the struggle pending within Kanu itself

Kanu elections are long overdue With Moi now 73 and facing his last term, these polls — more crucial to Kenya's future than the present presidential and parliamentary elections — will in effect decide the next head of state

"As soon as the elections are over we will be thrown into a battle for succession," a senior diplomat predicts

"Moi will have to release the brake and deal with all these gathering tensions The effect will be to throw Kanu into spasms"

Much of Moi's reign has been premised on the fact that he united minority communities who felt threatened by the Kikuyu. He is now under pressure to protect these minority interests against a perceived comeback attempt by the country's largest tribes

The succession battle may pitch George Saitoti, the vice-president, against Simeon Nyachae, the Kisii minister for land reclamation, and Musalia Mudavadi, the reform-minded Luhya finance minister Saitoti, brought up in Masaailand but with Kikuyu roots, is regarded with huge suspicion by the Kalenjin, Moi's own minority tribe

Kanu insiders say Moi, who managed to win international approval for limited reforms on the basis that he would undertake more significant changes in the new year, plans to use the constitutional review to combat the centralisation of power brought about over the past 19 years

One possibility would be to create a prime minister's post and introduce eight vice-presidents with responsibility for the provinces "It would be an insurance policy, a way of diluting the president's powers and devolving authority to the small tribes," says one western analyst

The result would be a more democratic and accountable Kanu, but a system that still falls far short of what donors originally envisaged Cynics might argue that all the years of outside pressure for reform in Kenya have merely served to trigger the modernisation of a one-party structure that previously looked in danger of extinction

Residents of Likoni, Mombasa, rush to the Kenyan polling stations as they open

Picture AP

VOTING EXTENDED

Kenyan poll in shambles

CT 30/12/97 (163)

NAIROBI: Voting was generally peaceful yesterday, but with material going missing or landing up in the wrong place, opposition parties found room to allege a conspiracy.

Kenya yesterday extended voting by a day and suspended counting after chaotic general elections in which many polling stations opened hours late, or not at all.

Opposition spokespersons charged that the ruling Kenya African National Union (Kanu) was rigging the voting.

At least three people, including a four-month-old baby, were killed in electoral violence in western Kenya on Sunday and yesterday, and one person was wounded and three vehicles damaged when ruling party and opposition supporters clashed yesterday in central Kenya, witnesses said.

But the voting appeared to be generally peaceful

The Kenya News Agency and KBC radio, both official, put out bulletins throughout the day detailing the chaos at many of the 12 754 polling stations, with material missing or sent to the wrong constituency, staff missing and even one presiding officer who turned up drunk He was fired

The electoral commission said, some seven hours after the polls were meant to open at 6am, that it was sending missing supplies to polling stations aboard military helicopters.

It announced shortly after the close of polling that it was suspending counting and that voting would continue today

"Candidates and/or their agents are advised to keep vigilance on the voting materials in the custody and security of the election officials," it said Today, like yesterday, would be a public holiday, the commission added

The logistical problems were compounded in some areas by flooding, following more than two months of torrential rain, which left hundreds of polling agents blocked

Turnout among Kenya's nine-million voters (out of a population of 29 million) nevertheless appeared high

'We have no confidence in the government or the commission.'

President Daniel arap Moi, 73, in power for 19 years, is seeking a final five-year term against 12 challengers — and 883 candidates for 23 parties are contesting the 210 parliamentary constituencies

Western diplomats who took soundings around the country said results could be close

Moi's main opponents are Mr Mwai Kibaki (Democratic Party), Ms Charity Ngilu (Social Democratic Party), Mr Raila Odinga (National Development Party) and Mr Michael Kijana Wamalwa (Ford-Kenya)

For a first-round win a presidential candidate must be ahead — even with less than 50% of the vote — and also gain a minimum of 25% of the vote in at least five of Kenya's eight provinces.

If that does not happen, the two leading contenders will face a run-off within three weeks

Mr Rateng Ogego, an official with Odinga's campaign, claimed that yesterday's delays could not have been "fortuitous"

"We have no confidence in the government and we doubt the independence of the electoral commission," he said — Sapa-AFP

Violence, intimidation mar Kenyan election

Sowetan 31/12/97 (163)

NAIROBI – Security forces shot two people dead and several others were seriously injured in electoral violence in the Kenyan Rift Valley town of Nakuru yesterday, witnesses said

They said violence erupted after opposition voters waiting outside a counting hall in the centre of the town, 160km west of Nairobi, pounced on a minibus carrying "suspicious" ballot boxes Security forces tried to get the ballot boxes into the hall for counting but the voters refused to allow them through

The security contingent then started to disperse the crowd with teargas and clubs In the resultant melee, police shot dead two people – a man and a woman – and seriously wounded several others

The official Kenya News Agency said seven people died in election-related violence in western Kenya on Monday and yesterday

Police collected the bodies of five people believed to have died during a confrontation between ruling party and opposition supporters in the Alego-Usonga electoral district on Monday, it said

Another man injured in that clash was later reported to have died in hospital A man was killed during another clash in the same constituency early yesterday between National Development Party youths and those of the ruling Kenya African National Union

A source close to the Kenyan Electoral Commission said one reason for the incorrect distribution of ballots was because they were improperly packed by the British firm that printed them "When the ballot papers came, we did not have time to unpack them and then repackage them the way they should have been," the source said

Incorrect distribution of ballots resulted in widespread disorder and charges of rigging An undetermined number of the nearly 13 000 polling stations did not open at 6am on Monday or opened late because of the ballot confusion Some did not open at all

President Daniel arap Moi, who is seeking a fifth straight term, yesterday joined opposition candidates who accused the electoral commission of rigging

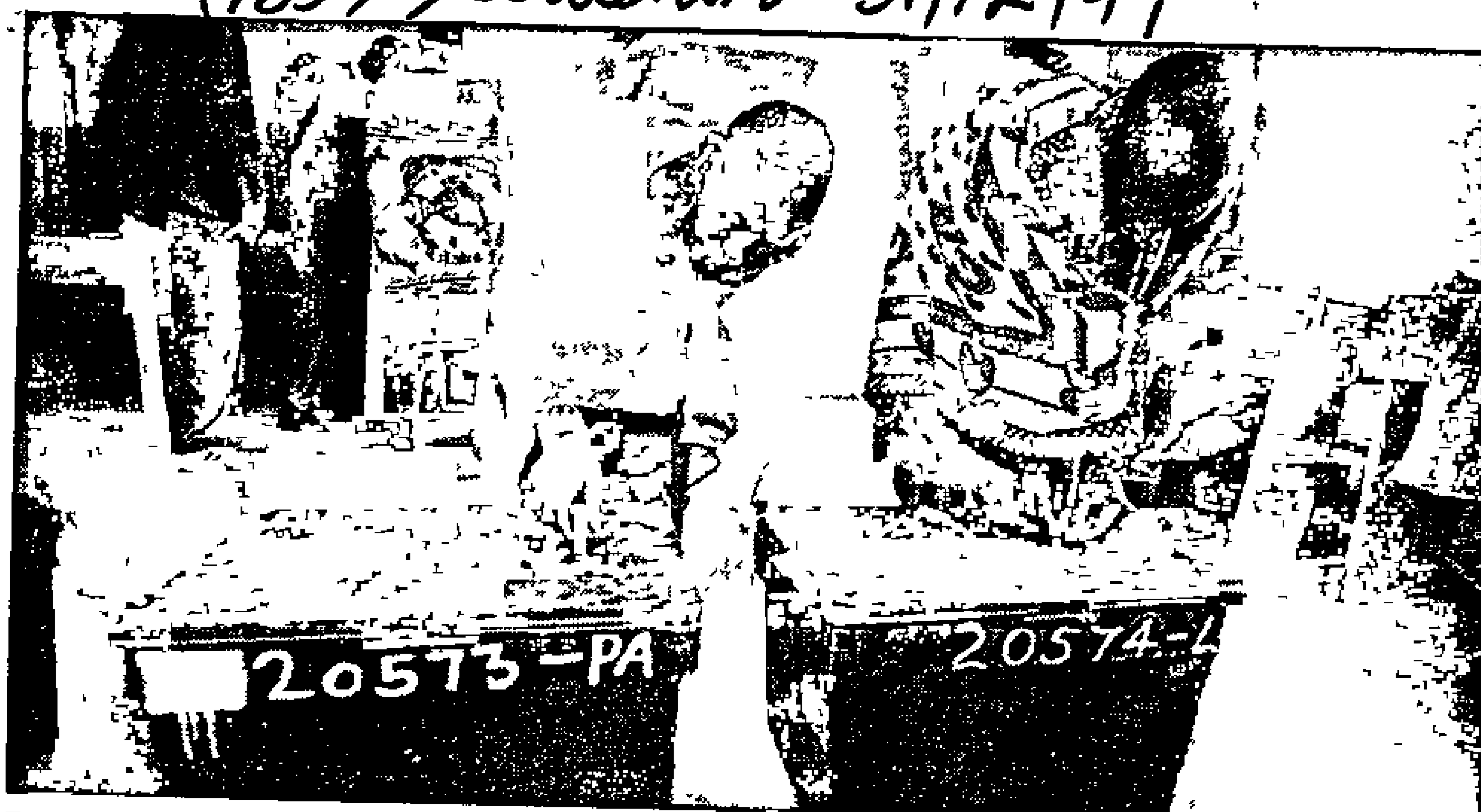
Opposition presidential and parliamentary candidates claimed Moi's party, the ruling party for 34 years, was trying to rig the vote in its favour But in a statement issued by the presidential press service, Moi said he was "extremely unhappy with (the) electoral commission because of its obvious scheme to rig the ongoing elections in favour of the opposition" – *Sapa-AFP*

● See also page 6

Kenya poll disarray

President Moi is looking to assure himself of a fifth term. As in the 1992 election, the incumbent is being accused of blatant cheating. **Chege Mbitru** reports ...

(163) Sowetan 31/12/97



Two Masai women in traditional dress cast their votes in Kajiado, 70km south of Nairobi, on Monday. PIC AP

NAIROBI – Voters straggled to the polls in an unprecedented second day of voting yesterday after widespread delays and confusion disrupted Kenya's election on Monday and fuelled suspicions of government-backed cheating

Worried that votes would be rigged in favour of President Daniel arap Moi and the party that has ruled this East African country for 34 years, rival candidates spent a fretful night guarding ballots already cast

"You can kill me, but you're not taking these votes away They stay here," an opposition candidate screamed at officials in coastal Mombasa

In constituencies that had finished polling, counting was scheduled to start at 7am yesterday but delays occurred It was not clear when results would be announced

Two people were killed in political violence, an election riot erupted in one town and observers reported blatant fraud, with some Kenyans' votes being bought for as little as R7 each

"These elections might as well be cancelled," Justus Nyang'aya, chairman of the Social Democratic Party, said late on Monday "This is not giving us free and fair elections"

Commission official Tom Ongalo said he was besieged overnight by complaints, but denied sinister motives were behind the chaos.

"There were problems all over the country, but the mistakes were all logistical," he said yesterday "I think it is still a free and fair vote"

Moi (73) is seeking a fifth, five-year term in Kenya's third multiparty election since independence in 1963

Even if most of Kenya's nine million registered voters voted for opposition candidates, Moi would still be likely to win because he faces 12 challengers divided along ethnic lines

Unable to agree on a single challenger, the opposition's only hope of winning was in forcing a run-off, which might unite the anti-Moi vote

The Electoral Commission reported problems at many of Kenya's 12 700 polling stations Some ballots were delivered late or to the wrong locations and others never arrived

A riot erupted in Kajiado North, 25km southwest of Nairobi, when vice-president George Saitoti, who represents the area and faces stiff competition, showed up with extra ballot boxes

Police fired into the air to break up the crowd which stoned Saitoti's car and burned the extra ballots, a witness said

Citing heavy rains and flooding in parts of Kenya and logistical delays, the commission said voting would be extended to Tuesday to make up for time lost If a polling station opened three hours late on Monday, for example, it would reopen for three hours on Tuesday

Commission chairman Samuel Kivuitu instructed police to guard ballot papers and boxes overnight "to ensure there will be no interference whatsoever"

Despite the chairman's order, some ballot boxes in Kenya's two largest cities, Nairobi and Mombasa, were improperly removed from polling stations on Monday, angering candidates and voters

"They don't trust police All they want is a free and fair vote, but they're so afraid it may be rigged," said Margaret Mwamodo, head of the Electoral Commission in the Indian Ocean port

Striking a compromise, she decided that police, officials and candidates would spend the night together with the ballots at a counting hall Some of Moi's rival presidential candidates cried foul

"The Electoral Commission has been infiltrated and manipulated by the government with the intention of distorting the results of this election," said Mwai Kibaki, a former vice-president

Too few presidential ballots were sent to areas known to favour opposition candidates, he said, adding that the town of Gagaki had 4 600 registered voters but received just 400 presidential ballots After five hours' delay, additional ballots were delivered, he said

Another top rival, Charity Ngilu, charged Moi's ruling Kenya African National Union party with vote-rigging and said she would challenge the results if Moi won

Moi's critics have blamed him for the corruption that has cost Kenya international loans and ruined roads, schools and hospitals

In Mombasa, election observers at the Sakina mosque polling station said votes were openly being bought

"This voting is a joke," said Phoebe Naamans, an observer for the National Council of Churches in Kenya "An old woman came in, she voted and then asked the presiding electoral agent, 'Where is my money? If I am not paid, I'll burn this place down' "

In addition to winning a seat in parliament, the successful presidential candidate must also win a minimum of 25 percent of the vote in at least five of Kenya's eight provinces

Kenya held its first multiparty elections in 1966 The next general elections were held 26 years later in 1992 and in these Moi won more than 25 percent of the vote in five provinces and 36 percent nationwide

However, monitors at the time said the 1992 elections were badly flawed, with Moi cheating openly to secure the win – *Sapa-AP*

'Miraa' narcotic is becoming Kenya's most favoured crop

(163)

Star 31 | 12 | 97

Stemming from the bark and leaves of a certain tree, it sends thousands into a dream world – and also generates cash

By Judith Achieng
Kangeta-Nyambene, Kenya

Chewing "miraa" or "khat" – a light narcotic stemming from the bark and leaves of a tree in north-east Africa – sends thousands of people into a dream world stripped of the hardship that characterises their real lives

Trade miraa provides different, more material benefits for other Somalis, Ethiopians and Kenyans at the supply end of the chain But for women in this farming district, the drug has brought only misery

"Instead of wealth, we only see poverty around us," says one woman, who refuses to be identified by name

The poverty in the area, she explains, is due to a growing culture of gambling, promiscuity and heavy drinking among the men, which they pay for with the proceeds from selling miraa

"Instead of helping the family, the man goes out to spend the money with friends," another said of her husband

Miraa brings in millions of shillings to farmers in this town on the eastern slopes of Mount Kenya

The "green gold", as those involved in the business call it, is the most lucrative cash crop here and in the adjacent centres of Maua, Laare and Mutuati, which together form Nyambene district

"You can never compare miraa with any other crop A single tree can pay for a child's education from nursery school to college," says one farmer

In fact, land formerly used to grow food crops like maize is gradually being turned over to miraa Three-quarters of the arable land in this area is believed to be taken up by the small, hardy, evergreen shrub crop Even export crops are being replaced by miraa

Farmer Francis Ntoburi says he has stopped growing coffee, Kenya's leading cash crop He now concentrates on his hectares of miraa, delegating the planting of food to his wife "Men should not bother with food crops when they have miraa to look after," he says

The Meru people, on whose ancestral lands the narcotic plant is cultivated, consider miraa sacred and do not allow women to grow it "It is almost a taboo to touch it, let alone grow it," says Maryanne Nkirote (26), from her hut overlooking her husband's 10ha miraa farm

> **"A single tree can pay for an education from nursery to university"**

Ntoburi says women are not involved in the miraa trade because it's tough business "Only men can handle it. It is a man's job How do you expect a woman, for example, to climb up a tree to harvest miraa?"

The 54-year-old farmer says he makes as much as 2 000 shillings (about R160) a day, almost three times the amount a middle-level public servant in Nairobi earns daily

More than 1 000 retailers buy the stimulant from the farmers and sell it to the growing number of consumers in Kenya and overseas Before, it used to be chewed only in parts of north-east Africa and the Middle East Today, its market has spread to Europe, the United States and Canada.

In the Netherlands, for example, a 2kg bundle of the drug costs upwards of R250. But the proceeds are hardly invested into the community, say the women here. To make ends meet, they have had to join the informal sector, doing things like selling secondhand clothes in the market "It is better than staying at home and getting nothing at the end of the day," says Maryanne Nkirote.

A debate is currently raging in Kenya on whether to ban miraa. Some argue that it is responsible for the significant high-school dropout rate in Nyambene, where official figures show that up to 50% of boys quit school every year in order to engage in the business

In one area, a 10-year-old boy boasted openly of earning an average of R40 a day

Also participating in the debate are some of the roughly one million people in Nyambene – those who depend on the stimulant as a cash crop. They have sent a petition to the government to allow them to continue growing it

Those advocating the ban argue that miraa is the cause of idleness among abusers, who waste hours chewing it They say the drug damages the teeth and general health Doctors add that miraa's amphetamine effects cause first alertness and increased energy, then depression and mental disorders

A first-time abuser usually finds the miraa bitter, but soon one gets addicted to it

The juice is swallowed while the chaff collects in a bundle in one side of the mouth forming what the chewers call a "cud" After prolonged chewing, one feels lulled into relaxation

"It makes me feel high," says one user "I feel as if the whole world belongs to me" – Sapa-IPS

Kaunda's hunger strike over

Star 31/12/97 (163)

Lusaka – Zambia's former president Kenneth Kaunda has ended a hunger strike he began after being detained under emergency laws on Christmas Day, Tanzania's ex-president Julius Nyerere said yesterday.

Nyerere, a close friend of Zambia's "father of the nation", visited him in the maximum security prison in the town of Kabwe yesterday and the two shared a small meal.

"Together we had a nice drink of orange juice and a little biscuit. He broke his fast," Nyerere said after spending several hours with Kaunda.

He did not comment on the prisoner's state of health.

Kaunda (73), who ruled Zambia from independence in 1964 until he was ousted in 1991 in the country's first multi-party elections, had been refusing food and water since his arrest last Thursday.

The Zambian government accuses him of involvement in a failed October coup attempt.

Jailed ... Kenneth Kaunda

Kaunda has denied any connection with disaffected junior army officers who tried to topple President Frederick Chiluba.

Nyerere said he had met Chiluba after visiting Kaunda in jail, but did not elaborate on the meeting. "I came here purely on a personal visit," he said before leaving for home.

Diplomats said Nyerere's mission was part of an effort by eastern and southern African leaders to secure Kaunda's freedom and lower the rising political temperature in Zambia.

A spokesman for the presidency, Richard Sakala, said Chiluba would make an important announcement today.

Police, meanwhile, seized the passport of Kaunda's son and aide, Wezi, when he tried to cross into Zimbabwe. – Reuters

Kenya facing strife as chaos mars elections

Star 31/12/1997

Reform lobby rejects poll as 'staggering fraud' while president accuses his own commission of rigging

(163)

By Ross Herbert
Nairobi

Civil strife moved from a possibility to a probability yesterday as a growing number of opposition parties denounced the Kenyan elections as an attempt to steal the contest through organised chaos.

Widespread problems with lack of voting papers, ballot boxes and voter rolls in Monday's presidential and parliamentary elections forced the Kenya Election Commission to extend voting for an extra day.

President Daniel arap Moi, who has ruled for 19 years, has left a legacy of corruption so pervasive that the election disorder is being broadly interpreted as a ploy to steal the election by denying opposition supporters the chance to vote through seemingly innocent mistakes.

For months the political temperature has been rising in Kenya.

Traditionally politically passive, Kenyans took to the streets in a series of violent strikes to demand changes to the constitution that allowed Moi to retain power with only 36% of the vote in 1992.

To win again, he needs the highest number of votes and at least 25% of the vote in five of eight provinces.

As word of growing election confusion spread, people vowed that he would not be allowed to remain in office. "If Moi steals it, there is going to be rioting," said Red Cross worker Francis Mungai.

"This is certainly the biggest crisis the country has ever faced," said conservationist Richard Leakey, co-founder of the opposition Safina party, which condemned the election as not free and fair.

Pressured ... President Moi.

The National Council Executive Committee, the opposition group that demanded and won limited reforms this year, branded the elections a farce.

Compounding it, Moi accused the Electoral Commission, which he appointed, of conspiring to rig the elections in favour of the opposition."

In a statement read on radio, Moi said he was extremely unhappy with the commission and that it should take responsibility for the chaos.

"President Moi said it was absurd that since the start of the voting yesterday, the Electoral Commission had targeted Kanu's traditional strongholds", ensuring their polling stations opened late and had insufficient ballots, the radio said.

Opposition candidates charged that the problems were targeted on opposition strongholds. The Electoral Commission said it would not comment on Moi's accusations, and monitoring groups, initially forthcoming, refused to comment.

Moi has masterfully defused tensions this year, granting just enough reform to end protests without meaningfully weakening his position. However, it is not business as usual.

Economic pressure has been steadily rising and in July the International Monetary Fund refused to grant further aid, citing Moi's failure to fight corruption, which sent the stock exchange and currency market into a tailspin.

The limited package of reforms, agreed to by Moi in November to deflect protests, also changed the political dynamics here.

It allowed opposition candidates access to television for advertisements and promised equal coverage in state media. Opposition candidates also gained the right to hold rallies without the police permission routinely denied in the past.

Political newcomer Charity Ngilu, in particular, launched and hammered away with an intense, articulate denunciation of the corruption of Moi's rule. She seems sure to win convincingly in her home central province, which Moi won in the previous election.

Such attacks put Moi on the defensive. In one full page advertisement on "eating", a Kenyan euphemism for corruption, he essentially conceded the point that his government was thoroughly corrupt but tried to deflect the charge by asserting: "Let's not talk about 'eating'. Let's talk about 'building'. Kenya's 'eating' culture is changing slowly with more accountability and transparency being instilled into our state organisations."

Moi is in a position to hold on to his office in the short term. The question now is how willing Kenyans are to take on Moi's shock troops for the sake of democracy. – Star Foreign Service

► Comment
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Kenya steadily throwing away its advantages

ARG 31/12/97 (163)

Government is consistently bad

STORY

Events in various countries show that Africa must still learn the politics of opposition ,writes PAUL VALLELY in London

It was when they jailed a friend of mine, the editor of an innocuous church magazine in Nairobi, that I first realised just how corrupt and dangerous was the regime of Kenyan President Daniel arap Moi

My friend was a Kenyan of utmost probity who had dared to criticise the dictator in the mildest of terms That was almost a decade ago and it set the seal, for me, on a raft of evidence about the malign influence of the man whose behaviour had already led his countrymen to use the term "paranoia"

Whatever the outcome of the election in which Moi has stood for a fifth term of office, the country which was once the jewel in the post colonial crown is exposed as a miasma of corruption, favouritism, patronage and worse

Moi's insidious fingers control the police, courts and media Rape, beatings and mob killings are his tools, torture of political prisoners and criminal suspects is routine, according to Amnesty

The United Nations today ranks Kenya as the third most corrupt country in the world, a vast fraud involving fictitious exports of gold has reached right to the heart of government and cost the nation the equivalent of 10% of its annual gross domestic product (GDP)

Kenya's failure to deal with corruption led the International Monetary Fund (IMF) to suspend a $216-million (R1,058-billion) loan agreement last July

What is it with Africa? In next-door Zambia the country's former leader, 73-year-old Kenneth Kaunda, languishes in jail by order of his successor Nigeria suffers under the tyranny of generals Elsewhere the continent is in the grip of civil war or the aftermath of it In Malawi and the former Zaire, people are coming to the hard realisation that life after a despot is not much easier than before

Even in South Africa increasingly disconsolate citizens are wondering when real change will come in their daily lives

We know part of the answer These were countries which were ill-prepared for independence by a colonialism which left them with unbalanced economies and an inadequate civil service

Next nature heaped on the challenge of climate change and excessive population growth And then a one-sided system of international finance has added manipulative terms of trade, an oppressive burden of debt and the the kill-or-cure pace of IMF-policed economic structural adjustment

But there is more to it than that The colonial period was too brief to develop in most Africans anything more than the most tenuous instinct for what democracy is about

It was not helped by the conviction in the early days of independence that the one-party state was the solution to ethnic rivalries inside the national boundaries which the Europeans had met in Berlin to draw across the continent there are 40 tribes in Kenya alone But The Party proved a passport to the patronage which might have been effective within the tribe but which descended into corruption within the state

The West tolerated the fact because powerful dictators like Mobutu in Zaire and Moi in Kenya were a bulwark against the spread of communism But with the end of the Cold War, the nations which controlled the aid purse strings began to demand multiparty democracy The concept was so alien to many Africans that in Zambia a large number of voters thought that Multi-Party was actually the name of the party which was to oust the ruling Unip party

Even so, when Unip and its founder, Kenneth Kaunda, were defeated, the father of the nation accepted the judgment of the electorate and stepped down It was greeted as a victory for the democratic process but the rejoicing was premature

Kaunda's successor as president, Frederick Chiluba, is demonstrating a growing authoritarianism which is disconcerting

It ought to have been easier for Kenya and Nigeria, with their greater wealth and expertise But those advantages have been steadily thrown away by consistently bad government

President Moi has amassed a fortune to rival the £5-billion (R40-billion) stolen from the people by his leopard-skin-hatted friend Mobutu But politically he has been more subtle In response to pressure from Western aid donors, he introduced multiparty elections in 1992 , and then smothered the opposition in rules that distorted the spirit of democracy

Yet, tragically, one of the factors which has aided him most has been the inability of the opposition to co-ordinate against him

As in South Africa, it has been only the churches which have held together the opposition, monitoring human rights abuses and calling for free speech and accountable government

Yet South Africa also holds a model for a solution It does not just benefit from a more developed economy and civil society and a larger middle class It also has a helpful demography

Though the African National Congress is the dominant party, the Western Cape is run by the National Party and KwaZulu Natal is under the control of Inkatha It has had, perforce, to learn the politics of opposition

But it is a lesson which the rest of Africa can only learn for itself – The Independent, London

Moi's early lead in Kenyan polls

(163) ARG 31/12/97

Nairobi – President Daniel arap Moi took an early lead today over his main challenger, Mwai Kibaki, in the presidential contest of Kenya's troubled general election

Results announced on television from just 11 of the 210 constituencies showed Mr Moi winning in nine, four of them in traditional strongholds in Rift Valley Province The electoral commission confirmed nine of the 11 results

Mr Moi was also ahead in three constituencies in Nyanza Province, normally an opposition area

Mr Kibaki led easily in two con stituencies, Limuru and Ndia, in densely populated Central Province – an area so hostile to Mr Moi that he collected only 2% of the vote in the last poll in 1992

Voter turnout so far has ranged from about 60% to 85%

Mr Moi has been in power since 1978 and at the age of 73 is seeking a final five-year term against opponents who say corruption and mismanagement are ruining Kenya

In the parliamentary contest, Kenyan television said early results showed opposition parties had won eight seats and Mr Moi's ruling Kenya African National Union (Kanu) four Kanu was unopposed in 11 of the 210 seats at stake

Analysts said it was too early to draw any conclusions from voting patterns

Kenya's election crisis deepened yesterday after Mr Moi condemned the electoral commission for "its obvious scheme to rig the ongoing general election in favour of the opposition" But on Monday night opposition candidates accused the commission of rigging the poll for Kanu and threatened to reject the results

Mr Moi and Kanu stopped short of urging that the election be scrapped after logistical chaos on Monday plagued voting and forced the poll to be extended to yesterday But cancellation, with uncertain consequences for the country's stability and frail economy, could not be ruled out

Electoral commission chairman Samuel Kivuitu responded to the barrage of criticism last night by issuing a statement in which he blamed most of the problems on bad weather and the supplier of ballot papers

"It is the view of the commission that the electoral process has been conducted in a free, fair and transparent manner," he said – Reuters

Moi claims elections are being rigged in favour of opposition

BD 31/12/97 (163)

NAIROBI — Kenyan President Daniel arap Moi yesterday accused the electoral commission of trying to rig presidential, general and local elections in favour of the opposition.

Moi said he was unhappy with the electoral commission because of its scheme to rig the elections in favour of the opposition

Moi, 73, is running for a final five-year term against 12 challengers, while 883 candidates are contesting the 210 seats in parliament on behalf of 23 parties

The parliament has been dominated by Moi's Kenya African National Union (Kanu).

The voting went into an unscheduled second day yesterday, amid reports of poll-related violence, following chaos on Monday and the failure of some polling stations to function due to lack of electoral materials.

Kenya's reform lobby yesterday dismissed the elections as a "staggering fraud" and demanded that their results be rejected and a government of national unity established to avert civil strife

"The National Convention Executive Council (NCEC) has received reports from citizens, domestic and international observers, candidates, political parties and the media that the 1997 elections are seriously flawed," NCEC spokesman Kivutha Kibwana said

Six people died in election-related violence on Monday and yesterday, the official Kenyan News Agency reported Police collected five bodies believed to have died during a confrontation between ruling party and opposition supporters in the Alego-Usonga electoral district on Monday, it said, and a man was killed during another clash in the same constituency early yesterday

The NCEC spear-headed a campaign of often-violent mass protests earlier this year to force the government to negotiate constitutional reform with the opposition. Nearly 20 people were killed in clashes between pro-reform demonstrators and the police in July and August.

Meanwhile, Kenyan business leaders warned yesterday of prolonged economic uncertainty as the electoral commission tried to salvage the bungled election

They said the chaos had triggered panic in the economy, East Africa's largest

For an economy still on its sick bed, the news was bad. "This is certainly the biggest crisis the country has ever faced," Richard Leakey, conservationist and secretary-general of the opposition Safina party, said.

The financial markets and businesses in Nairobi remained closed for the third straight day since Sunday and following a long holiday that began on Thursday with the Christmas break.

"Economics is always nervous if politics is not stable," said Chris Kirubi, vice-chairman of the Kenya Association of Manufacturers and a millionaire businessman

Market participants said the next 24 hours would determine the markets' short-term direction.

Analysts said they saw Kenya's general elections as the key towards reversing the economic losses of the past five months that followed an International Monetary Fund (IMF) freeze on aid to Kenya in a row over corruption

Finance Minister Musalia Mudavadi said a new government would move to restart talks with the IMF, a step which would help boost confidence in Kenya's cash-strapped economy — Sapa-AFP, Reuter.

A police officer, left, stands guard during the counting of votes in Mombasa yesterday Poor organisation marred Kenya's general election, forcing the electoral commission to extend polling until 6pm yesterday in some voting stations

Picture AP

PAC attacks proposed water fluoridation laws

Business Day Reporter

legislation again demonstrated ... oride Government should rather

CONFLICT FEARED

Moi cries foul after Kenyan election chaos

(163) CT 31/12/97

NAIROBI: An opposition group in Kenya has urged the formation of a government of national unity to avert conflict as charges of fraud follow the shambolic elections.

KENYAN President Mr Daniel arap Moi has accused the electoral commission of trying to rig extended presidential, general and local elections in favour of the opposition

In a statement issued yesterday by the presidential press service, Moi said he was "extremely unhappy with the electoral commission because of its obvious scheme to rig the ongoing elections in favour of the opposition"

Moi, 73, is running for a final five-year term against 12 challengers, while 883 candidates are contesting the 210 seats in parliament on behalf of 23 parties

He said it was absurd that since the start of the poll on Monday the commission had targeted traditional strongholds of the ruling Kenya African National Union (Kanu) in the Rift Valley and parts of western and eastern provinces

It had made sure that returning and presiding officers reported as late as 2pm — voting was meant to start at 7am — to deny voters sufficient time to cast their ballots, he alleged

The president added that in all these areas the commission had made sure that there was a shortage of ballot papers

He recalled that when he had presented his nomination papers to them on December 3, he had impressed on commissioners the need to carry out their duties judiciously and justly to satisfy everybody, including observers

"In this regard, I call upon the electoral commission to honour and take full responsibility for these irregularities, which are disenfranchising many people," he said.

The opposition had already charged on Monday that fraud was being perpetrated by the ruling party

POLL PLOT: Daniel arap Moi is suspicious

Voting went into an unscheduled second day yesterday, amid reports of poll-related violence, following chaos on Monday and the failure of some polling stations to function for lack of electoral materials

Kenya's reform lobby, for its part, yesterday dismissed the vote as a "staggering fraud" and demanded that the result be rejected and that a government of national unity be established to avert civil strife

"The NCEC (National Convention Executive Council) has received reports from citizens, domestic and international observers, candidates, political parties and the media that the 1997 elections are seriously flawed," NCEC spokesperson Mr Kivutha Kibwana told a news conference here

"Indeed, the elections are emerging as a fantastic farce worse than the 1992 elections," he alleged.

Six people had died in election-related violence in one constituency in western Kenya on Monday and yesterday, the official Kenyan News Agency reported

Police collected the bodies of five people believed to have died during a confrontation between the ruling party and opposition supporters in Alego-Usonga electoral district on Monday, it said

Another man had been killed during another clash in the same constituency early yesterday.

On behalf of the NCEC, Kibwana stated that "pretended inefficiency and staggering fraud have irreparably marred the 1997 attempt to hold an election"

He was reading a communique from the reform group

"In pursuance of the constitutional doctrine of necessity, a mandatory national unity government should be formed," he argued

The NCEC spearheaded a campaign of often-violent mass protests earlier this year to force the government to negotiate constitutional reform with the opposition

Nearly 20 people were killed in clashes between pro-reform demonstrators and police in July and August

The NCEC groups opposition politicians, religious organisations, civic and youth groups

The council said its proposed government of national unity should include members of the last parliament, the NCEC and religious leaders

Kibwana said the NCEC had received "overwhelming" evidence that Kenyans had voted against Moi.

But he said the elections had been organised in such a manner that "Moi must win" — Sapa-AFP