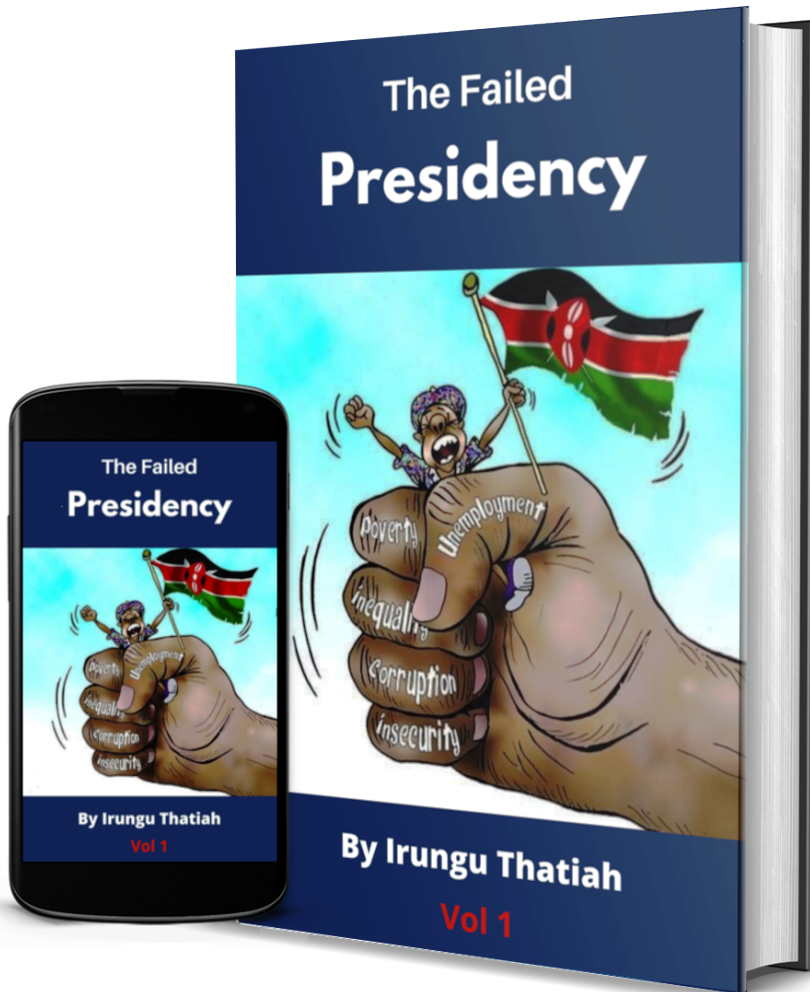


**THE FAILED PRESIDENCY
OF
UHURU KENYATTA**

VOLUME 1



Title: The Failed Presidency of Uhuru Kenyatta

Author: Irungu Thatiah

Personal website: www.pishbooks.com

To get a FREE copy of Volume 2 and Volume 3, email the author at thatiah@telejumbo.com

Disclaimer: I, Irungu Thatiah, being the author and copyright holder of this book, has allowed anyone to share, print or publicize this book anywhere for free. Having sold over 10,000 copies in its first month after publication, I believe it is a matter of civic duty to freely share information that is both timely and of much public appeal.

This book is dedicated to my son Mandela Gikunju Thatiah

CHAPTERS

Chapter 1: Season of Vanity

Chapter 2: Missed Opportunities

Chapter 3: The Sinister plot Against the Youth

Chapter 4: Political Banditry

Chapter 5: Economic Shenanigans

Chapter 6: We are On Our Own

Chapter 7: A Government on a Leash

Chapter 8: The Making of an Oligarchy

Chapter 9: Kenya's Tax Genocide

Chapter 10: The Plot Against Local Businesses

Chapter 11: Land of Impunity

Chapter 12: The 8 Trillion Missing Since 2013

Chapter 13: It Has Been Done Before

Chapter 14: How Jubilee Killed the Media

Chapter 15: Horrors of a Militarized Government

Chapter 16: Democracy in Retreat

INTRODUCTION

I was seated with Francis Kirimi Muthaura, then head of public service, in his office at Harambee House on the last Friday of January, 2009 when a call came in. I could clearly hear the tenor voice of Uhuru Kenyatta as he thanked Muthaura for his appointment as the new Minister for Finance. Muthaura explained to the younger man why he thought the caller was the right man for the job at the time.

For a moment, I was nonplussed. Wasn't President Mwai Kibaki the right man to thank for his appointment? Francis Muthaura had earlier hired me as his official biographer and we spent much time together, sometimes in his office but mostly at his home in Ongata Rongai during the weekends. I knew about the power he wielded, perhaps greater than all his predecessors since the days of Geoffrey Kariithi and Simeon Nyachae. But I didn't know how things worked in government so most of the times I just watched and learned.

The bureaucrat from Meru had finally convinced President Kibaki to hand Uhuru Kenyatta the job he craved. Harambee Avenue of the time crawled with enemies of the new Finance minister. Some were right there in Harambee House while others were sequestered across the road in the prime minister's office. Others were in State House, where they had the ear of the president. Mwai Kibaki himself wanted Musalia Mudavadi to be his successor.

But, for reasons I would understand later, Francis Muthaura wanted Uhuru Kenyatta to ascend to the highest office in the land.

When Kenyatta was campaigning to become president I hired a lady called Maria from Nation as my research assistant and we wrote a book called *Hard Tackle* about the political life of Uhuru Kenyatta, which was published in 2014 and got me into a lot of trouble. We sold over 77,000 books, both online and hard copies, in the first 100 days and decided to do a roadshow.

Our distribution model was novel, but fraught with risks. I had heard many times that Kenyans do not read nowadays because no one goes to bookshops anymore, a notion I strongly disagreed with. Kenyans read a lot. All they needed were books written in an interesting and concise way – and books that were both accessible and affordable. So we ended up outsourcing over 200 newspaper distributors and vendors to sell the books for us in the streets.

We wanted to do a roadshow to promote the book, so I posted a message in Facebook for any person to apply by dropping a CV at our distribution office at Hamilton House in Nairobi. My distributors asked me if they could ask the

applicants to purchase the book if they wanted to be considered for the gig, which was a reasonable thing to ask since you could not promote a book you had not read.

It turned out to be a mistake because over 300 young people bought the book for a reduced price of Sh299 each expecting to be given a chance to promote it. Most of the prospective promoters bought the books in the newsstands where promotional copies were sold by newspaper vendors in the streets. More than a hundred of them bought the books from our own distribution office at Hamilton House.

When the chance for promotion was not forthcoming, about 40 of them went to Uhuru Park and called Citizen TV to protest. They thought I was commissioned to write the book, therefore I was swimming in cash. I made a plea to them to return the book and pick the cash but no one did. Instead they took to social media to shame me in what appeared to be the making of a publishing scandal. So far *Hard Tackle* has sold over 200,000 copies, but those 327 books that were purchased by jobseekers remain the hallmark of my enterprise in the public memory. It was a mistake I owned up to and no amount of explaining can erase that dilemma.

Though not the main reason, this affair informs some of the reasons why I took four years to collate material for this book and now I am giving it to you for free.

When I wrote *Hard Tackle* I received thousands of emails from people who thought that my book was too favourable to Uhuru Kenyatta. I also received threats from certain characters, including from Uhuru Kenyatta's cousin Ngengi Muigai, who had promised to teach me a lesson for one misrepresentation I made in the book about Mama Ngina Kenyatta. The fellow was really menacing on the phone.

As a writer, I do not get emotionally involved with my work. Let me state that I didn't even vote for Kenyatta in 2013.

This book is a sequel to *Hard Tackle* and the title THE FAILED PRESIDENCY confirms that it does not say flattering things about Uhuru Kenyatta. I expect thousands of emails from people who believe the worst performing president in Kenya's history should be praised. I wonder what Francis Muthaura thinks today about his political project.

I can still recall how he smirked with satisfaction for a job well done on that sunny Friday afternoon. As night fell, the bureaucrat was still in high spirits. But someone called him just after 7pm (I think it was either Francis Kimemia or Alfred Mutua) to inform him that KTN was airing a dirty story

about Mwai Kibaki as its lead item for 7pm news. It involved a lady who called herself Mary Wambui Mwai.

Muthaura's features suddenly turned pale and I could see he was really flustered. "What's the problem with you people from the media nowadays? This lady has never met the president since he took office!" Muthaura said, looking at me almost accusingly, as if I was part of the KTN team that aired the story he found so unappetizing. I noted that Muthaura didn't make any attempt to deny Mary Wambui was Kibaki's second wife. He was perhaps worried about the connotations of the story, because bigamy is a crime in Kenya.

I worked as a contributor to the Digital Series of Al Jazeera and also as a correspondent for Standard. Muthaura asked me to give him the phone number of Standard Group's CEO, which owned KTN. He quickly phoned Paul Wanyagah and told him that KTN was now pushing it too far. Of course, the story was pulled down and it didn't appear in the 9pm prime news.

I had always wanted to inform Muthaura that the media does not exist to make the government happy. In fact, it shouldn't make any government happy. But it is wise to be careful what you tell the man who signs your cheques. Likewise, any book designed to make any government happy is not worth writing. This one, in particular, takes a grim look at a regime that needs to know Kenya has reached that point where we must record every presidential screw-up in real time.

This book is not written in your usual text-book format. The genre is avant-garde, so expect to be surprised. This is the first volume of my book and the second one will be released in December.

Thank you.
Irungu Thatiah

CHAPTER 1 SEASON OF VANITY

Like all great tragedies, the Jubilee project was conceived in multiple layers of fantasies. It had all the aspects of a modern Ponzi scheme – big words without substance, promises without formulas, pageantry without works. Seven years down the line the Jubilee administration has gone a full circle. It is now time to take stock.

One day we will tell our grandchildren the sordid tale of our times.

Once upon a time, two men with matching suits, red ties and white shirts, marched into our town. They carried on their backs accusations of the grossest crimes against humanity but that did not deter us from listening to them. Twice in the last decade Kenyans had topped the world as the most hopeful people on the planet. That was the fertile ground the two snake-oil salesmen found, ready for sowing with vanity.

Jomo Kenyatta promised independence and he delivered on his promise. Daniel arap Moi promised to educate the country and he delivered on his promise. Mwai Kibaki promised to build the nation and he delivered on his promise. Uhuru Kenyatta and William Ruto promised, well, everything.

Their predecessors were not perfect. They had many failings. But at least each had a major in his presidential ambitions and certain underpinnings to that major that you cannot take away from their legacies. Uhuru Kenyatta and William Ruto had no time for dwelling on the basics on which great economies are made. Instead they got someone to write them speeches that made them look smarter than they were, flooded social media with propaganda, and then proceeded to make grand promises they had no intention of keeping.

The reasons why they never fulfilled any of their promises are no longer open for discussion because the truth is now on the surface. The architects of Jubilee did not have the foggiest idea on how to drive a nation forward.

Figures do not lie. When Mwai Kibaki was Finance Minister under Jomo Kenyatta he masterminded an economic recovery programme that saw Kenya grow at over 22% in 1971 and at 17% in 1972. When he took over in 2002, the economy was growing at only 0.6%. Although Kenya almost went to civil war in 2007, we still managed to reach a peak of 8.4% economic growth under Kibaki. Even Moi, who was entrenched as the worst performing president in the history of Kenya in terms of economic growth, did well in the 1980s and even managed to grow the economy to a peak of 7.4%.

Uhuru Kenyatta found a booming economy but he wasted no time in dethroning his political mentor as the worst performing president in the history of Kenya in terms of economic growth. Economics has no room for tricks. Years of disenfranchising the youth from the main economic system, grand corruption and wastage, gagging the media, militarizing the government, political thuggery – all combined to produce a grim catalogue of Jubilee's economic regression. Jubilee's peak economic growth for the country so far since 2013 is only 5.8% and things are only getting worse, if not murkier and deadlier.

The Jubilee project was doomed to fail from the beginning. Uhuru Kenyatta and William Ruto came to office with an unprecedented train of political publicists, a clear indication of the kind of work they had in their minds.

The Kenyatta political doctrine was the dream manual of every potential strongman. First, take care of business in both houses of Parliament by placing two right-wing fundamentalists as Speakers – one a guy who thinks he is still a DC and the other an old clubbing buddy. The other powerful institution meant to keep him in check, the media, would be taken care of by his men in Parliament. As for the Judiciary, where he could not install his henchmen in the Supreme Court or beat its organs into submission, it could be discredited through political rants in public rallies at every opportunity.

Things did not just happen that way.

Kenya started her life as a group of disparate tribal states, to a territory, to a colony, to a dominion. Then we became independent and swiftly to a dictatorship. Under Mwai Kibaki, Kenya became a democracy. Under Uhuru Kenyatta, not only did Kenya slide back to a nascent dictatorship, but also to an oligarchy and quite possibly a banana republic.

In Uhuru Kenyatta's Kenya, young people with masters' degrees are hawking boiled eggs in plastic yellow bins in the streets. The Jubilee administration supervised the looting of all youth programmes. They introduced archaic media laws so that no journalist can report a scandal without risking millions in fines or years in jail. Gagging the media has been extended to social media, where teenagers posting something displeasing Fred Matiang'i can be plucked from their parents' houses in far-flung villages and tossed into overcrowded jails.

They pay illiterate MCAs five times more than doctors. They looted all sugar factories dry so that they can make a killing importing sugar. They buy coffee at Sh18 per kilo and resell the same raw coffee in a foreign port for Sh450. A poor man's tea crop is taxed over 40 times before it can be sold at the Mombasa auction. Then they criminalized the sale of raw milk so that they can buy it for Sh25 and then resell it to us as two packets for Sh120.

Accessible education programmes that Kibaki started have all been halted. For good measure, school books are now taxed at 18 levels while imported whiskey is only taxed twice. A 150-cc boda boda motorbike arrives at the port for Sh35k but by the time the poor boda boda operator owns it he already has spent over Sh230k on eight different taxes and hire purchase charges. Compare this with the tax incentives routinely awarded to

multinationals and corporations in other areas dominated by the well-connected and the fat cats.

Gone are the days when Kenya used to lead in everything good in the region. While we use less money to generate electricity, one kilohour/unit costs Sh22 in Kenya while in Ethiopia it costs the equivalent of Sh3 – meaning the electricity you pay for one month will last you seven months in Ethiopia. Yet Jubilee does not seem to get why Ethiopia's economy is growing at a faster rate than ours or why it is cheaper to do business in Ethiopia than in Kenya. Even Somalia has cheaper mobile internet than Kenya.

While Kenya has about 10 million less people than Tanzania, Kenya has over 20% more prisoners. For those who wonder why, just try to start a small business in your neighbourhood like a water filling depot, or a small juice factory, or a small toilet paper plant. And then you will meet hundreds of laws, by-laws, regulations, taxes, licenses and certifications that are designed exactly to make poor people remain poor at best, or in Kamiti for decades at worst.

Oppression is always introduced to the people while clothed in the garbs of brotherly love. History is awash with gloomy human stories of communities and nations who happily barked the wrong tree which they mistook for medicine, only to ingest untold doses of poison. In the case of Uhuru Kenyatta and his Jubilee political outfit, the narrative was that Kenyans needed to be rescued from Raila Odinga.

Such was the overwhelming dosage in this theme that someone coming from another planet would have thought Raila Odinga was an ogre who was preparing to eat the people's babies.

People forget very quickly. After decades of the Kanu dictatorship, Kenya finally became truly democratic in 2002. But we forgot that we were still living in the same forest and that the old monkeys were roaming in dark recesses, regrouping and planning a counter-attack.

Kenyatta was a leading commander of these troops. The media is exposing too much, he grouched. The opposition is talking back to the president, he complained. Some people are not showing the government enough respect, he whined. There is a famous video clip showing Kenyatta and his henchmen at Parliament as he fumed about Raila Odinga, ending the press conference with a bang on the table.

I can solve this kind of problem, he promised. I am not a wimp!

Sure, Uhuru Kenyatta could solve those kinds of problems. He could put Raila Odinga in his place. He could do a *kipiga ngeta* on Parliament. He could also teach the media a lesson.

But Uhuru Kenyatta did not have any economic agenda. A review of his campaign messaging in 2012 reveals a man who thought his predecessor was a political problem that needed to be corrected. The race to defeat Raila became not only the journey, but also the destination. Kenyatta and Ruto would spend their first term in office mainly blaming everything on Raila and conducting public meetings where they taunted him and called him names.

In the tribalised nature of Kenyan politics, Kenyatta knew he was safe as long as he kept his supporters thinking about an ogre. No one would question his own incompetence or his melodramatic proclivities as long as he could keep them focused on the fiction that Raila was the problem.

In normal circumstances, political campaigners are discarded or paid off or given a job in some basement office after the campaigns. Kenyatta sent the signal about what was important to him when he carried his campaigners with him to State House.

Many Kenyans were shocked to see Kenyatta surrounded by his campaign mandarins, including bloggers, in important state functions instead of the bureaucrats who actually run the government. Take for instance the launching of the Huduma programme, one of the president's signature projects. Plagued with too much money and small brains, some of these characters would on the same day be appearing on the wrong pages of the newspapers reserved for nude girls. The fact that the president did not deem this scenario undignified underlined the importance that he thought these kinds of people played in his world.

During the Kibaki years, when Kenyans first tasted democratic freedom and unprecedented economic growth, there was a widely accepted assumption that we could not easily slide back to dictatorship. It was assumed that since we fought for very long to gain our freedoms, it would take an equally long time to turn us back.

But history proved us wrong, just as experience is now proving us wrong. Turkey fought hard and long, only for gains to be reversed in a matter of a few months by a single man called Recep Tayyip Erdogan. Poland fought for equally long time against communism and dictatorship, with much help from her native son Pope John Paul II, but it took only a few years to wipe out the gains.

Students of democracy have always argued that building strong institutions is the panacea for bad governance. But latest events from across the world – from the strong democracies of western Europe and North America, to Asia and the Pacific rim countries – are proving them wrong. Donald Trump, particularly, has proven that even the strongest institutions can be abused by the wrong man. Fascism is on the rise in some of the strongest democracies in Europe and democracy is on retreat in such promising countries like Poland, Tanzania, Ivory Coast and the Philippines, to mention a few.

In Kenya under Uhuru Kenyatta, much of the country is still in denial because most people thought it would never happen again. Once again, history is proving us wrong that the new constitution or independent institutions could not solve our problems, or at least most of them.

At the writing of this in 2020, the Jubilee agenda remains right where it all started. After realizing that he could not bluff his way through a troubled presidency unscathed, Uhuru Kenyatta started the second phase of his presidency in 2017 with another bag of tricks. Building Bridges Initiative (BBI). Kenyans have been told that a new political dispensation will solve all their problems.

It is yet another scam conceived in multiple layers of fantasies – and some more.

CHAPTER 2

MISSED OPPORTUNITIES

The year 2012 was the culmination of a successful decade. It was the decade Kenya surged from the ranks of the poorest in the world to join the club of emerging middle-level economies.

In terms of direct foreign investments, Kenya was again one of the leaders on the continent and the spirit of local entrepreneurship, especially in ICT and the banking sector, was making headlines worldwide. Our combined foreign and domestic debt was well below 46%, an economic miracle for a country that was galloping towards a double-digit economic growth.

The children who had started free primary education were now in high school and the government was rolling out a free day secondary school programme. At the pace we had gathered, there would be free education up to undergraduate level in less than a decade and the projected higher education spending in key areas like medicine and engineering would catch up with continental leaders like South Africa and Nigeria at the same time.

Free and robust media, vibrant civil society, new universities springing up in every county, a marshal roads plan, reforms in agricultural and research institutions, loans for the small man, new factories, a new Nairobi metropolitan plan – it was a catalogue of progress the likes of which the country had not witnessed before.

During the same decade, Kenya had the highest percentage in Africa, and one of the highest in the world, of individuals who moved from abject poverty to the middle class. Comparatively, the capital Nairobi also led Africa in registering the highest numbers of people, especially the young, who shot from the lower middle class to make their first million dollars. We all thought things could only get better.

Then the Uhuru Kenyatta and Wiliam Ruto galloped into town.

When Uhuru Kenyatta formed his cabinet there was a general agreement in Kenya that he made inspired choices. This was because most of his cabinet members, with the possible exception of Charity Ngilu, had impressive academic qualifications and a few of them had achieved considerable success in their careers in private sector. But we all now know that Uhuru Kenyatta and William Ruto failed their first test.

There has always been insufficient discussion on the subject of what makes a good leader in Kenya. This is a problem reflected in other parts of Africa. There is a strong argument that in Africa people pays too much attention to academic papers both in private and public institutions. Success in the private sector is also valued in African assessment of holding public office. This kind of reasoning is absent in other parts of the world, especially in the west and the tiger economies of Asia. This observation is not meant to diminish the importance of academic qualifications for public office holders.

Inspired leadership that created superpowers and world leading economies was, mainly, anchored on other qualities while academic qualifications or excellence in private enterprise only played secondary roles, or were entirely missing. Zimbabwe sunk into the abyss under the leadership of the most educated president in the world. Donald Trump was a success in private enterprise but a failure in the public sector while both Abraham Lincoln and Harry Truman were failures in the private sector while they excelled in the public sector. Out of the 45 presidents who built the world's largest economy, only three of them, namely Woodrow Wilson and Bill Clinton and Barrack Obama, had higher university degrees. This trend is present in many other world leading economies.

Let us come back to Kenya. Take Adan Mohammed, a Kenyatta cabinet appointee, for instance. Glowing stories were told about his achievements as a banker and this alone seemed to capture the people's imagination. Adan Mohammed had been the leader of Kenya Bankers Association (KBA) when he was the CEO of Barclays. During his days at Barclays, he engaged in an aggressive campaign of locking out poor Kenyans from the banking system. Other foreign-owned banks copied his methods.

I happened to be privy to the goings-on in the banking sector. What was happening bordered on criminality. KBA was a foreign controlled cartel whose members colluded with British companies. There was talk of huge bribes offered to Treasury officials to keep the fixed deposit amounts unreasonably high to ensure few new locally owned banks could be registered. Under President Moi, the British lobbied other multilateral institutions not to offer Kenya credit, ensuring that Moi could only borrow domestically. This drove the government into the hands of British-owned or controlled banks which raised the interests rates to the stratosphere as they basked in the windfall of government securities.

As a result, banks like Barclays and Standard Chartered literally chased poor people out of their banking halls with unreasonable rules and high charges. They even closed some of their banks in the poorer parts of Nairobi and Mombasa and in many provincial towns, retrenching workers in the process.

Adan Mohammed was at the centre of this British scheme to disenfranchise poor Kenyans and keep money out of circulation for the majority poor. When newspapers wrote about the good portfolio of Barclays, many people took this as a personal triumph of Mohammed's genius. But in truth Mohammed was a financial mercenary working against the interests of his fellow Kenyans.

In the final years of the Moi government poor Kenyans had literally stopped going to banks and loans for the poor were nonexistent. Interest rates hovered over 30% and banks were the most unfriendly institutions in the land.

As soon as he took over, Kibaki asked new Finance Minister David Mwiraria to call the bankers for a round-table meeting where they were asked to lower down the interest rates voluntarily. Mwiraria invited me to the meeting and I remember watching in horror as their leader, Adan Mohammed, scoffed at Mwiraria and literary laughed back at him. The bankers were united in their loathing for Kenya's poor.

Interestingly, senior mandarins at the Central Bank of Kenya (CBK) sided with the cartels. CBK Governor Nahashon Nyagah also supported the cartels

and he was fired in the same afternoon after this meeting. But others remained. There was a lady from a county in the Coast who was a very senior employee of CBK and was beloved of the media. ODM party also publicly defended her and she was promoted as a voice of reason by opposition politicians. Yet she was at the centre of corruption at CBK. Three different sources who went to register new local banks confirmed to me that she was the one who took the biggest bribes.

After the meeting Mwiraria announced that the government would no longer borrow locally, hitting the foreign bankers where it hurt most. He then lowered the amount needed for the Protection Deposit Fund to only Sh250 million and invited Kenyan-owned microfinance institutions and building societies to apply for banking licenses.

That was how small enterprises like Equity and Family banks got their big break to finally become commercial banks. They were among the banks for the poor people and their story of growth since that time is well known. Interest rates dropped immediately. Loans not only became affordable, but access to loans was for the first time made available to the poorest people of Kenya even without collateral.

One of the first actions of Kenyatta after becoming president was dispatching Finance Secretary Henry Rotich to Parliament to table a proposal to increase the Deposit Protection Fund to Sh5 billion, a proposal that MPs first declined to support. This was a classic act from the old Kanu school of thought.

The story was the same Moi would have told, including the discredited notion that in order to protect depositors you needed to institute punitive measures that would lead to the closure of nascent banks and hurried consolidations, stifle competition, and empower the big banks that hate poor people. The notorious financial principles that Adan Mohammed had spearheaded during the Kanu days as leader of KBA, were the same principles Uhuru Kenyatta was pushing across with his Jubilee government.

I am not insinuating what Mohammed did was against the law. But Uhuru Kenyatta should have known Adan Mohammed was once a mercenary of foreign powers who repeatedly acted against the interests of his countrymen by spiking their road to financial freedom with thorns. The KBA of Moi era was a dream-killer and its leader should never have pretended to love Kenyans, less so getting appointment to high public office to serve the same people he treated with scorn and worked against in his previous career.

It all boils down to two conclusions. Either Uhuru Kenyatta didn't know about it, or perhaps he didn't care. Such an action would never have passed in any progressive part of the world with a president who claimed to be an economist.

Take another example, like Joe Mucheru. He had had good success in the private sector but failed as a public servant. Uhuru Kenyatta had promised a digital revolution but he only employed a few bloggers at State House to keep Raila and his henchmen busy. The Jubilee government never had a blueprint of creating jobs in the ICT sector, even though Kenyatta inherited a government that had painstakingly created a fibre optic network that ensured we had the fastest internet speed in Africa and number four in the world.

The Jubilee government unveiled Joe Mucheru and informed Kenyans he had a tech background, therefore he was suited to take the country to the digital heaven that Kenyatta had promised. The Jubilee appointing chiefs could not tell the difference between a data background and a tech background. Midwifing a digital revolution was at the centre of Jubilee manifesto and the appointing chiefs started on the wrong foot by hiring an aloof candidate who clearly could not initiate policies to bridge our superior ICT infrastructure into a confluence with our equally impressive human resources.

There has also been debate about the strange calculations that led to the hiring of such people like Judy Wakhungu, Mwangi Kiunjuri, Ann Waiguru and Hassan Wario.

Mwai Kibaki was generally a bad political communicator but an inspiring planner. Kenyatta displayed genius by hiring gifted mud-throwers like Dennis Itumbi, whose convincing propaganda was good in campaigns and could also hack websites to retrieve information for his bosses. Eric Ng'eno, a brainy lawyer, wrote soaring speeches that made Uhuru Kenyatta shine in artificial light. That was good politics.

Good communication denotes clear knowledge on the subject. Kenyatta is a good political communicator because he knows politics. But what about economics?

I browsed through media archives and I did not see anywhere Kibaki reminded anyone that he was a good economist, let alone just an economist to begin with. Raila also rarely reminds people that he is an engineer and people do not even know Ruto's area of expertise. But on average Kenyatta mentioned his area expertise, mostly as a reminder to people in media or

rallies, seven times per year. Would Eliud Kipchoge ever need to remind anyone that he is a good runner?

This is not to dispute that Uhuru Kenyatta did economics at university or even to question whether he passed with good grades. But if someone needs to remind us about how good he is in a certain field, then we are duty-bound to remind him too that we will measure him up by the gold standard. The only economics gold standard that Kenyans know at the presidential level is Mwai Kibaki. The two men also stood on a similar platform and both managed to persuade the electorate that they would deliver in that area. As a bonus, Kenyatta won his presidential debates of 2013 mainly because he was considered to have superior economic policies – his scattershot performance in the said debates notwithstanding.

So if he is so good in economics; why can't he communicate economics to Kenyans, let alone implementing good economic policies?

A good case in point would be the Standard Gauge Railway (SGR) phenomenon. Surprisingly, this is an area where Kenyatta did well even though most Kenyans seem to think it was a mega scam at worst, or at best a useless project. There was a clear breakdown in communication, where his communications men resorted to unnecessary propaganda against their detractors and even name-calling.

The opposition hired a brilliant economist in the person of David Ndii to propagate their propaganda – for that is what it was – against SGR while Kenyatta only communicated through dour bureaucrats and his political team.

When all facts are collated, you can tell it was Ndii who was communicating effectively, even though what he was championing was not entirely true. Ndii was so effective at communicating economics to the point where Kenyans swallowed his half-truths raw while he had no equivalent in Jubilee to fire back corresponding volleys. He cherry-picked facts and built an entire story that was both true, but also grossly misleading. As a result, Raila won the war for the people's mind about the SGR. Bearing in mind that it was Kenyatta's signature project, his legacy will go down with it.

Private companies the world over have been able to move into areas where only a few decades ago were the preserve of governments, including such capital-intensive areas as telecommunications, forming private armies or even space exploration. One area private companies have avoided is creating new railways. They have a good reason.

The history of railways is an unhappy one.

Railways do not usually make money by themselves. Even the great trans-continental railways of America never made profits from the railways business. They made profit by doing business from the land over which the railway passed, which explains why they made huge land concessionary demands before agreeing to build the railways. No government builds railways so that it can merely gain cargo or passenger profits from it. Railways are spurs for development for the larger economy. They are supposed to grow the economy by offering the private sector with the crucial transnational connectivity needed for trade. The single greatest reason why Africa does not develop is because of trade. But railways are a hot political potato because of the resources needed to construct them, and by extension the much political explaining needed.

For information's sake, it is important to note that railways do badly in democracies because the volatile nature of democratic apparatus does not entertain long games. That in part explains why the most successful country in connecting itself with railways is non-democratic China. More than half of all the world's high-speed railways are in China.

Perhaps to understand the odds stacked against making profits from railways, one needs to study the history of railways concessions from around the world. From Japan to Europe to South America, it has never worked. Even the concessioners who do well for the first few years only hold on because there is always a residual value to milk dry before leaving.

There is a valid case that the SGR project was a good move but it was poorly sold and badly planned. It became the story of jobless truck drivers, high land-buying bills, reported kickbacks and fears of Chinese neocolonialism. This novel scenario played directly into the hands of Raila Odinga and opposition politicians because it offered the kind of low-hanging fruits that feed their hyperbole. They even made unrealistic comparisons with railways being constructed in Ethiopia, which was a different kind of railway as Kenya's SGR was conceived to be a trans-continental railway line.

This is not to discredit the good job opposition politicians – and their propagandists – did to warn Kenyans about the implications of the SGR project. What I disagree with was the notion that the project was unnecessary. The project should go all the way past Uganda, the DRC, Cameroon, into Nigeria and probably all the way to Senegal.

The Jubilee government did not even try to convince the public that they could benefit from such an investment. Did Uhuru Kenyatta and William Ruto have any ideas on how the common man can reap from such a useful piece of

infrastructure? The verdict is still out there. Contrast this with Mwai Kibaki's style. When Kibaki reformed the banking sector he never tired of asking poor people to now borrow money from the banks. Kibaki never opened a road without talking to the common people about its usefulness.

The Jubilee government did it differently. Instead of showing the people how David Ndii was wrong about the railway, Uhuru Kenyatta instead decided to mount a personal attack in a public rally by saying Ndii was not even capable of managing a small kiosk. The question is: where was Jubilee's Dennis Itumbi of economics to kick ass for the boss? The simple answer is there was none.

Entering the second term, Kenyatta seemed to have abandoned the economic agenda. The biggest theme in Jubilee government is the Building Bridges Initiative (BBI). BBI is a political project and has little bearing with any economic agenda for Kenya. It is a refuge where political animals can feel safe because it has the potential of whipping up tribal passions and allegiances over everything else.

Having wasted all the chances that the previous government had created for them, Kenyatta and his henchmen now needed to go to familiar ground where they could feel at home. The political agenda was always the default settings of the Jubilee government.

CHAPTER 3 THE SINISTER PLOT AGAINST THE YOUTH

During the coronavirus pandemic most presidents and leaders of nations the world over were busy unveiling strategies to insulate the youths of their countries from its effects. In Kenya, the Jubilee government dispatched Higher Education and Research principal secretary, Simon Nabukwesi, to announce that all university students would pay more on resuming class in 2021. By more, he didn't mean by a few thousands. He was not even doubling the amounts.

The Jubilee government had just tripled the amounts students would be paying in public universities. In the rallies, they would be telling Kenyans that they had the welfare of the youths in their hearts.

My research on the political life of Uhuru Kenyatta shows that he has a troubled history with young people. It was easy to think that he didn't know how to handle them. Or maybe it was out of sheer negligence. But that was

before Ann Waiguru and NYS. I will discuss the National Youth Service later because the history of Uhuru Kenyatta's disdain for the youth is long and colourful.

If there is anything that the Jubilee administration will be remembered about for ages to come, it is its pathological craving to treat the youth not just as though they were second-class citizens, but also as if they didn't exist at all. There are hyenas that treat their children badly and then there are hyenas that eat their own children.

In the nascent dictatorship that Kenya has become as we screech full speed to become a banana republic, disenfranchising the youth was always at the centre of the Jubilee scheme of things. No oligarchy, for Kenya can be argued to be one, can survive in a situation where the youth are empowered. The more securely they can be locked out of the economic system, the easier it becomes for the oligarchy to thrive.

Today, youth unemployment hovers at over 70% - if we discount the handcart pushers, sweets peddlers, *mutura* roasters, and other demeaning undertakings Jubilee calls jobs. Visit any urban area and youths loafing around at street corners or sleeping in the parks or any open spaces, including on the banks of flowing sewers we call rivers, are a distinct and permanent fixture.

Never before have there been so many educated young people with nothing to do. Drugs and crime, the twin evils of a tanking society, are on the rise. The majority of youths in Jubilee's Kenya spend their time chewing *muguka* and tarmacking for years as they search for nonexistent jobs, occasionally stopping at newsstands to read the headlines of newspapers they cannot afford. The headlines themselves no longer report about stealing from the youth programmes, because there is no worthwhile youth programme left to steal from.

At Harambee Avenue, the Jubilee men who ran the country live in a paradise where the name of the game is to deceive themselves everything is OK. As long as credit lines from China are open, there remains money to loot. Those who oppose can face the full force of a militarized government. If the media pokes its nose into it, another law can be hurried through Parliament to make sure the stinking lid is sealed tighter than a drum – this on top of three other anti-free media laws already passed under Kenyatta in six years, a record for any president in the history of Kenya.

To understand Uhuru Kenyatta's vision for the young, you need to go back to his public statements when he first stood for presidency back in 2002.

Mwai Kibaki had already announced that he wanted to give free primary school education to all children. When Kenyatta was asked what he had for the young, he said that free primary schooling was a factual impossibility. Mwai Kibaki demonstrated that it could be done when he implemented the free primary education programme just eight days after taking the presidency.

The Jubilee administration could not be bothered even to do any explaining on their failure with Kenya's children. The school laptops programme is a glaring case in point. Almost a decade down the line, it has never been implemented. Rwanda, a country with only a fraction the size of Kenya's economy, has already successfully implemented a similar programme as Jubilee politicks and dithers.

We can also compare Uhuru Kenyatta's performance with the youth against his predecessors, including his father. Jomo Kenyatta will be remembered for exponentially expanding both secondary and primary education. His first cabinet also consisted of young people of a mean average age of around 40, which demonstrated where he thought the future was headed. Kenya recorded the highest birthrate in the world during the 1980s not because Kenyan women were getting pregnant more times than anyone else, but because of the maternal health infrastructure Moi spearheaded at the time, ensuring that healthy babies were born in hospitals and also recorded.

Daniel Moi's work with free school food and milk programmes, construction of new universities and new stadiums for sports is mentioned elsewhere in this book. In fact, all the international stadiums that we use today were constructed by the Moi administration. Kenya was the continent's leader in boxing, cricket and hockey, largely because of government support in the 1980s.

The apogee of our athleticism on the global stage was also reached during Moi's time. These achievements did not just happen. Building two international stadiums within a decade of each other, football was a career for thousands of young people during Moi's Kenya. It was also during this time that a Kenyan club reached the summit of African football when Gor Mahia won the club continental cup in 1987.

When Uhuru Kenyatta became the president in 2013 he had promised to construct five international stadiums in the counties. Like everything in his youth package, seven years down the line construction has not begun in any of them. It is instructive, as it is paining for the youth, that Jubilee did not even pretend to care. If young people ever needed a pointer to what Uhuru Kenyatta thought about them, here was the best example.

One of the iconic sportsmen, on and off the field, Kenya has ever produced is Paul Tergat. He is the chairman of the National Olympic Committee of Kenya (NOCK) as well as a role model and leader. One of his enduring images in the minds of Kenyans was when he held a press conference to passionately plead with the Jubilee government to stop or at least reduce the tax that the government levies on the monies athletes win abroad. When a Kenyan athlete wins prize money abroad, she is usually taxed 20% in that country because she is a foreigner, sometimes up to 30% in some countries. This is apart from the 20% surrendered to their agents.

But while agents provide useful service to the athletes, sometimes investing in athletes who will never win anything, the Jubilee administration planned to reap where it had not sowed.

One year after Kenyatta became president he revived the idea (Kibaki opposed it in 2012) of further taxing sportspeople in percentages which are almost similar to the ones taxed abroad. By the time the poor athlete gets to her home, a good portion of her package is usually parted from her. For a government that does not invest in sports, this is gross. The Jubilee administration does not view sports as a resource for the youth. Rather, it sees sports and athletes as cash cows for the fat cats in government.

Things get sinister when for instance sportsmen travel abroad flying the national flag. Kenyans have been treated to bizarre spectacles where the budget for the sportspeople is not available but there is ample budget for Jubilee politicians and their wives, girlfriends and mistresses. They usually travel first class and stay in five-star hotels in foreign capitals in government-funded trips meant for the sportsmen, leaving the likes of Victor Wanyama to pay tickets for footballers because the government hired a decrepit and un-airworthy airplane from west Africa.

In the Rio Olympics, the kits meant for the athletes were taken by the families of politicians and David Rudisha had to use his own money to buy food for his team at times. Catherine Ndereba, the Olympian who inspired a generation of Kenyan girls in sports, was supposed to be one of the team's main leaders but she was housed in a ghetto in Rio as the politicians and their mistresses took the sea-view suites of five-star hotels on our dime. I am telling these specific examples here because they best demonstrate the disdain that Uhuru Kenyatta's administration has treated the youth from his first day in office.

In 2006 Kibaki argued that the youth did not need handouts. They needed decent jobs, affordable loans and access to both political and economic

opportunities. This was the thinking behind the Uwezo Fund initiative later the same year. Its mandate was to offer loans to young people, as was Youth Enterprise Fund. Uhuru Kenyatta became president when Uwezo Fund had been offering loans to youths for six years. Like everything they touched, the Jubilee government killed it within months.

Enter NYS, the biggest youth scam in the history of Kenya where in excess of Sh5 billion cannot be accounted for. According to the 2019 Auditor-General's report, NYS's mother ministry itself is unable to account for over Sh100 billion meant for youth empowerment. If there is anything synonymous with the name Jubilee in the minds of young people in Kenya, it is NYS and its movers.

Who will ever forget sworn affidavits of hairdressers narrating how they carted tonnes of money from Family Bank at night and took it to some home in Runda? The thieves, especially of the first wave of NYS thefts, were never captured. To hoodwink the public, Jubilee only caught some small-time potato and cabbage traders from Naivasha and paraded them for us to see.

Flash forward to 2020 and Anne Waiguru has become governor in Kirinyaga County and is being grilled by Senate at Parliament for NYS-type binge of thievery. As the proceedings went on she was captured by the media on camera playing solitaire on her mobile phone, uninterested and unconcerned. When the Jubilee story will finally be conclusively told, this image alone will be worth a million dollars.

In 2013 the Jubilee spoke about instituting policy and infrastructure to create jobs in the ICT sector. Kenyatta and Ruto not only called themselves the dynamic duo, they also christened themselves the digital duo. But the only youths Kenyans have heard about having benefited from the Jubilee youth digital programme are the many bloggers whose job was to keep Raila in check. Right now the bloggers have turned against each other, one wing attacking Kenyatta on behalf of Ruto and the other wing attacking Ruto on the behalf of Kenyatta. Such is the dynamism of the digital revolution promised by the dynamic duo.

During their 2017 campaigns Kenyatta and Ruto promised to create 1.3 million jobs every year while creating partnerships with county governments to establish at least one industry in every county. Neither the jobs nor the partnerships were created. He said other rosy things as he read a revamped manifesto at Kasarani. "In the next five years," President Kenyatta said, "I will establish a Youth Development Council to coordinate all youth activities

and facilitate the training, skills building and mentoring to link young people with emerging internships and job opportunities.” Never done.

He went on, “Sh42.8 billion has been awarded to youth, women and people with disabilities through the 30 per cent procurement Access to Government Procurement Opportunities (AGPO) benefitting close to 40,000 businesses and 200,000 people in the supply chain.” Perhaps this included the sister of one of the members of the digital duo who got a contract meant for youths and marginalized women.

Picture this. Uhuru Kenyatta defeated Raila Odinga twice in the presidential elections because he largely managed to portray Raila as an old man who had already fired his last bullet. In 2007, Raila Odinga defeated Mwai Kibaki (yes, I suspect he actually did) in the presidential election because he largely managed to convince people Kibaki was an old man who was out of touch.

I was a reporter at this time and was enjoying some of the happiest times of my career. I still have notes I jotted down and the recordings I took (one of which Raila likened himself to Galileo and Jesus at JIAM Church) and they offer a peek into the minds of the Kenyan politician. In one of those recordings, Raila many times charged that Kibaki’s government was led by old men who needed to go home, and mentioned Francis Muthaura as one of them. Back in the office during our Tuesday editorial meeting I suggested that we needed to fact check some of the statements the politicians were making. Everybody agreed.

But almost everyone disagreed when I informed them Raila was being untruthful by calling Muthaura an old man. This is because Raila himself is actually 22 months older than Muthaura. The difference was simple. Muthaura had never dyed his hair while Raila had been dying his for almost a decade at the time. The horrifying question is: If journalists who are trained to observe and to probe could not tell the difference, what about the villager who has never heard about hair coloring?

Public perception, and even opinion, is largely driven by looks in Kenya. If an old man can wear trendy clothes, dye his hair, then mount a podium to talk tough he has a high chance of being viewed as youthful.

I spent some time in media archives in the month of July, 2020, and I noted that Kenyatta was recorded at least 50 times in the last three years either calling himself young or having his henchmen do it for him in public rallies. Uhuru Kenyatta is now a 60-year-old grandfather who is still telling Kenyans that he is young. Some of his associates have not only dyed their hair, but also

gone under the surgeon's scalpel in plastic surgery procedures. There are at least four governors who have already undergone plastic surgery in Kenya, two popular party leaders, a female county speaker (lately overthrown) and many public leaders. Being seen as young in Kenya is everything.

But what about the Kenyans who are actually young?

Youths are usually told to wait for elections. In the almost six decades that Kenya has existed as a republic, only once, in 2002, did we have elections that changed people's lives in impactful ways. Statistically speaking, elections do not change anything in Kenya. Waiting for elections to change your life in Kenya is like placing a bet in a jackpot with infinite odds, then sitting down to wait for years, which then turn to decades, which then turn to a lifetime, in the hope that it will change your life.

Today, more than 90% of people who are in the youth bracket in Kenya will never own a decent home unless something dramatic happens.

As a footnote to a sordid tale of a failed presidency, the Jubilee government started another youth programme as I was in the process of writing this book. They called it Kazi Mtaani, a leaf borrowed from another programme called Kazi kwa Vijana that was promoted by Raila Odinga when he was Prime Minister. They claim to have employed 26,000 youths against a backdrop of millions who are unemployed. The monthly pay is Sh4,000. Already there have been some demonstrations in some areas because even those peanuts are almost impossible to deliver without being stolen along the way.

Government officers in 4000-cc vehicles have been moving around the country informing Kenyans about the wonderful things Kenyatta is doing with Kazi Mtaani, their cars taking more money on fuel than the wages they are paying the poor youths in the initiative itself. In the meantime, Uhuru's co-president, for that is what Raila Odinga is, is going around assuring all and sundry that the reggae is back.

The helicopters are being serviced so that the ruling class can begin the BBI tours because most of Kenya has no roads – to sell a bridging bridges political tale in a country traversed by rivers without bridges.

CHAPTER 4 POLITICAL BANDITRY

One day in 2006, when Uhuru Kenyatta was the leader of opposition, he walked into Parliament and accused President Kibaki of engaging in acts of political banditry. Kanu had imploded under his leadership and Kenyatta was blaming Kibaki. But who between Kibaki and Kenyatta was the real political bandit?

In this chapter I will narrate some personal experiences and also offer some personal insights because this book is actually the sequel of *Hard Tackle*, which was published in 2014 after Jubilee took power.

As soon as Justin Muturi was elected Speaker of National Assembly, I went to congratulate him at Parliament Buildings. I knew Muturi from when I was a small boy and greatly admired him, but not for his ideology. Little boys admire every man they see driving a big car. Although we were in different constituencies, his home was not far from ours and he would stray into our neighbourhood many times. He is an easy-going man.

I started my research for the book by going to congratulate Justin Muturi in Parliament but in reality I was going to ask him questions and beg for useful contacts that could provide the material I needed. I arrived at Parliament in the evening where I found a starving Muturi because he was working out and fasting as he needed to lose weight. Nyaga, the young man who had been his parliamentary personal assistant during his days as MP for Siakago, had also come with him to the new job.

My first query was to ask him who he thought was Uhuru Kenyatta's closest friend and I was surprised how quickly he gave me the name of David Murathe. They are always together, Muturi informed me. This was surprising to me because many people had told me Muturi himself was perhaps Kenyatta's closest friend, therefore this coming from Muturi meant Murathe was a special friend indeed.

David Murathe has a colourful history, having been jailed twice in the 1980s – first as a student leader after the 1982 coup and second when he was accused of being a member of Mwakenya, a dissident group the government was cracking down upon.

David Murathe became an MP only once after he won the Gatanga seat on a SDP ticket in 1997. In 2002 he joined Kanu to campaign for Kenyatta in his first presidential campaign and became the head of Uhuru Kenyatta Centre. Kenyatta is known not to like Peter Kenneth and part of the reason was how the sleek Peter Kenneth dismissed Murathe in Gatanga both in 2002 and 2007 when the former stood on a Narc ticket. When the duo plotted their revenge in the 2013 election, William Kabogo of Juja, which is not far from both

Uhuru's Gatundu and Murathe's Gatanga, happily joined them to help write the political obituary of Peter Kenneth. Kabogo also had his own axe to grind with Peter Kenneth.

Some political pundits said Uhuru Kenyatta feared Peter Kenneth might upstage him as the next Kikuyu leader after Mwai Kibaki and William Kabogo was welcome to help. I called Kabogo when he was campaigning in a by-election to cover a news story for *Standard* and he spent the entire time complaining about Peter Kenneth. He usually referred to Kenneth as *muthungu*, Kikuyu word for white man, which was calculated to be derogatory because Peter Kenneth is of mixed racial heritage. Kabogo heatedly complained to me that the *muthungu* was sponsoring one of his girlfriends (*muthungu*'s) to unseat him in Juja.

But it seemed Uhuru Kenyatta had bigger plans for Murathe. President Kibaki had dismantled the power structure that had kept Moi in power for 24 years. Moi always had a crude but cunning fellow in the wings of government who actually ran the political kraal. Sometimes Moi assigned Okiki Amayo or James Njiru or Shariff Nassir or even Nicholas Biwott the duties of a flamethrower and everybody knew you could ignore his utterances or threats only at great peril. Even the vice president, who by law and practice is supposed to be the country's number two, would be subsidiary to the man on certain political affairs.

As I write this, cabinet secretaries and other senior members of government, including DP William Ruto, wake up in the morning to read newspapers to digest Murathe's latest utterances. He is the flamethrower who gives the signal for Kenyatta's political regiment to mount an attack. Miss that signal and your goose is cooked.

Both friends and foes say Murathe is a likeable fellow, always loud and animated even in the grimmest of situations, and always ready to kick ass for the boss without hesitation. He is a key cog in the apparatus that Uhuru Kenyatta has been painstakingly putting together to revert Kenya back to the good old Kanu days when there was only one rooster in town.

These are not the first steps towards a dictatorship. They point to the fact that good governance was swept away by the floods a long time ago. The signs were there but everybody ignored them.

Lee Njiru called me on a Sunday afternoon in June, 2009, and informed me that President Daniel arap Moi wanted to see me the following Thursday. He informed me to make it by 7am because the Mzee did not tolerate latecomers.

I remember it was very cold on Thursday and one of my brothers, Rex Murimi, had taken my car and had not returned it. I first went to Aga Khan Hospital where my cousin Dr Githae worked as a gynecologist and took his sports car and drove off to Moi's home at Kabarnet Gardens.

Moi's home was ringed with security. It was located in an expansive compound and the main house was on the far side from the gate. The GSU men at the gate cleared me and after taking one glance at the sports car directed me not to park it outside the Mzee's house. Near the gate there was another building to the right, smaller than the main house. I found Moi's military bodyguard at the door and he laughed loudly when he saw me spring from the sports car. I was dressed in a polo shirt, white trousers and brown moccasins. The security man surveyed me and remarked that the Mzee would not like how I was dressed. Mzee likes people in suits, I was told.

Lee Njiru himself emerged from inside one of the rooms and ushered me inside, inspecting me with disapproval but without a comment. I knew Njiru from my days as a teenager. He was a board member at Moi High School and was a role model to many students, one of the reasons why that school produced many journalists. I remember he also helped build some amenities in the school and even brought us a school bus in the company of the president. That part makes for fond memories of my youth.

As a journalist, Lee Njiru was one of those writers who was such prolific that every reporter in the newsroom would pick a copy not just to read, but to study what he wrote. Of course, everything he wrote was a defense or a disputation on matters concerning Moi because Njiru was the head of Presidential Press Unit at State House. As a schoolboy I had viewed him as a journalist, but now as a journalist I viewed him as a politician.

We left on foot to meet the Mzee in the main house. The room Njiru took me to appeared like the main sitting room. It was to the right side of the house and you had to mount some steps to get inside. It made me feel like I was climbing a Roman acropolis.

We found the Mzee sitting on a wooden seat like those I usually found in Francis Muthaura's office – high back, wooden arm rest and barely padded. When you sat on the sofa the Mzee would loom above you, which I thought was designed to have some effect on the visitor. Head of Civil Service Francis Muthaura also had a similar setup in his home in Ongata Rongai.

There was a raging fire in the fireplace behind Moi and I noted age was catching up with him. Everything in the room was of dull colours like browns and beige hues. There was no TV or any form as aesthetics. The Mzee

welcomed me and made small talk, even asking about my four-year-old daughter Zawadi Wairimu. In our next meeting he asked how the girl was faring. I found it very refreshing and begun to like him.

Mzee Moi knew how to make small talk. When a man came to inform him tea was ready, he turned to me, “Some journalists used to write I made tribal appointments. My man here is from the coast and Njiru is from your side of the mountain. There are no Kalenjins here.” There were some slices of brown bread on the tray but it was the tea that attracted my attention. It was thoroughly boiled and it did not taste that great to me but the Mzee gulped it with relish.

Then Njiru introduced the business by informing the Mzee that I was a homeboy, which I thought meant I could be trusted.

The matter that bothered Moi involved the Standard Group, the company that owned Standard Newspapers, KTN and Radio Maisha. I was perplexed why Njiru picked me while he could have picked the senior editors to get the information he wanted. The Mzee had heavily invested in the media company as was his erstwhile lieutenant Joshua Kulei, whom I would also meet later in the year but without Njiru’s involvement. The two gentlemen had placed their men in the board and there were rumours of vicious tussles. But that was not the agenda of this meeting.

After the 2002 elections the Standard had undergone very successful rebranding and both newspaper sales and advertising revenue for KTN had skyrocketed. But the media house had also radically shifted to the centre-left, in the opposing side of Mwai Kibaki’s conservative government. The Mzee was now a Kibaki supporter and could not understand how a company he literally owned broadcasted stuff that was opposed to his political ideologies.

True, the shift to the centre-left meant that the media house reported opposition leader Raila Odinga favourably. I also agreed and supported this standpoint because it was based on sound editorial and commercial considerations.

It seemed the Mzee had bought a thriving media company but nobody had bothered to inform him how a media house worked. The appointment of Paul Melly, a competent manager who was said to have been handpicked by Moi, as CEO had not changed matters. It is a profound lesson that a man could lead a country for 24 years but still be ignorant about the workings of what is the most important lever of governance in the private sector. I have since discovered that this ignorance thrives in every sector of government not just in Kenya, but also in most parts of the world.

Day to day editorial decisions cannot be made in the board. They are made right there on the news desk, or in the Tuesday editorial meetings, or by the managing editors – who in turn can only be overruled by the editorial director. The editorial director is always a journalist.

Like most CEOs, Paul Melly was an expert in finance and knew nothing about journalism. Njiru himself had practiced journalism in a state agency and perhaps had never been on the beat as a cub reporter in mainstream media. He wanted me to explain to Mzee how the media worked so that the Mzee could take action accordingly. I informed Moi that the screaming front-page headlines, almost all political, are usually crafted by the news editor or associate news editor, sometimes in collaboration with the managing editor.

Njiru did not wait for me finish when he interjected by saying that the real mess in the *Standard* was caused by David Ohito and Ben Agina, adding that there was another fellow called Dennis Otieno, who was leaving to become Raila Odinga’s spokesman. These men from the lake, Moi said, are the real problem. That was the Mzee’s way of referring to men from the Luo tribe.

Then he suddenly started talking about politics. He told me, “You people from the mountain are too agreeable and too compromising.”

In Moi’s world, Luo men needed to be dealt with mercilessly. He was not amused to see them having taken over his own company. Later, I would recall that the day Uhuru Kenyatta banged a table at Parliament as he vowed to deal with the Raila problem he had used similar words to those of his mentor. Jaramogi Odinga once said that Moi was like a giraffe that saw far ahead than anyone else. President Moi called himself the professor of politics.

On that day I knew Moi was telling me that Kibaki was a political problem because he could not handle Raila or the media. Kibaki was too agreeable and way too compromising with his political foes for Moi’s comfort. But way back before we knew anything about Kenyatta except that he was the son of Jomo Kenyatta, the professor of politics had stretched his giraffe neck ahead and saw a promising recruit. Uhuru Kenyatta was an uncompromising nut.

CHAPTER 5 ECONOMIC SHANANIGANS

Facts do not lie. Uhuru Kenyatta is the worst performing president in terms of economic growth in the history of Kenya. In this chapter I will outline raw facts and figures from the government itself and multilateral institutions. It is

also during his presidency that the government hit a record high in terms of the number of times the Treasury defended itself on spending, growth and borrowing.

When Uhuru Kenyatta was campaigning in 2012 he told Kenyans that Raila Odinga was the hooligan whose hobby was burning businesses to the ground and that he was the jobs-and-work candidate. Seven years later Kenyans are gritting their teeth in agony after realizing they fell for a trick.

No one ever thought that it was possible to dethrone Daniel arap Moi as the worst economic performer in Kenya. Even those who harbor dark thoughts could not conjure up visions of a leader who could do worse than Moi, who quickly screwed up all the economic gains of the previous years when he took the presidency in 1978. But even Moi did better than Uhuru because in one lucky year he managed to grow the economy by more than 7% in 1986.

Let us give the devil his dues. The golden years of the Moi presidency was the 1980s and the economy grew at a robust pace. Moi left an indelible legacy during this period because he invested heavily in education and health at this time, preparing a Kenyan generation that would come of age in the 1990s and after 2000 to be ahead, at least in human resources, of their counterparts in other parts of the Africa that were of similar wealth. Moi invested in social programmes like school food and the milk programme that kept children in school, and greatly enhanced the state of maternal health in the country and also built the Nyayo wards in many counties, an iconic achievement that has not been repeated since.

When Uhuru Kenyatta and William Ruto started their job in the presidency, they quickly learned they did not have the genius to continue at the pace Mwai Kibaki had established. So they resorted to tricks. In 2014 they rebased the economy, a term used to mean they changed figures without any difference happening on the ground, with the pretext that they were taking into account industries like telecoms that were driving new growth in the economy and also to better capture the size of sectors like agriculture and manufacturing.

This made the GDP look 25% larger. They then wore their matching suits and ties and announced that Kenya had now overtaken Ghana, Tunisia and Ethiopia in economic size, placing the country at number 9 on the continent.

The bloggers at State House went on overdrive on social media and Kenyans were almost convinced that Kenyatta was a miracle worker. But when the real professionals at the department of statistics at the Treasury did

their maths they realized that the economy had grown at only a rate of 5.3% in the year of miracles that was 2014.

The dynamic duo did not stop there. Although their henchmen were spreading propaganda of fictitious growth, there was no money in the tax base to reflect the touted state of affairs. For the first time in the history of Kenya, the disparity of the reported growth and the taxes that were actually being collected was increasing by multiple digits. This could as well mean some figures in some sectors of economic growth were being doctored to look rosy.

In simple terms, what Uhuru and Ruto were doing is like going to the market centre to boast they were landlords who had added new houses and increased tenants, yet there was nothing to show in the increase of the monies they collected from the said tenants. It could as well mean they hadn't constructed any new houses or got any new tenants, to begin with.

The decline boils down to the fact that either the growth figures were incorrect, or a lot of people were evading or avoiding taxes. It could also be that the country's tax regime was littered with a lot of gaps, which means the government was losing revenue, sometimes due to unnecessary tax exemptions. I have written about these tax exemptions in another chapter because in Kenya tax exemptions are never given to the small man who badly needs them. Tax incentives in Kenya are reserved for multinationals or foreigners whose ambassadors can call high places and threaten hellfire and brimstone. Or the industries dominated by the politically connected and the fat cats.

After the 2014 economic debacle, the Jubilee magicians were now preparing ground for more tricks. When you create an illusion of prosperity, you better have something to show for it. The Jubilee government did this by talking big, planning big, and then going on a borrowing spree because they always collected less money than projected. They were running record budget deficits of the likes Kenya had never witnessed before. Moreover, most of the money they collected was misappropriated, misallocated, or stolen altogether.

From a basket economy to growth of over 8%, Kibaki's projects were on time and were adequately funded. He left the economy with only Sh1.8 trillion in debts. Uhuru and Ruto started borrowing heavily as soon as they settled. In six years our debt had already hit over Sh6 trillion shillings, three times more than all the debt we had accumulated in over 50 years. As I write this, the figure is almost hitting Sh7 trillion. I have outlined in another chapter how almost all of it got stolen, yet Kenyans are expected to pay for it for the rest of

their lives. This is at a time when Kenya is steadily falling in the global prosperity index.

The Jubilee borrowing has had a catastrophic effect on the Kenyan economy.

Walking around in any town in 2012, one was confronted by a phenomenon where almost all banks put their desks out on the streets outside their banking halls. These were mostly loans officers enticing pedestrians with cheap loans. This was because Kibaki was tight on domestic borrowing, forcing banks into the streets to look for people to give their money. Interest rates came down and any Kenyan who could demonstrate that he needed money for business got it.

Uhuru Kenyatta put an end to all that when he embarked on a crazy binge of domestic borrowing. Banks quickly saw a more secure way of making money by investing in government securities and locked out ordinary people who needed the money most. As at August 2020, the government has already borrowed over Sh3.3 trillion domestically alone and there are no signs it will stop any time soon. This means money will be kept out of circulation for ordinary Kenyans in the foreseeable future.

I do not wish to posit that any debt in itself is necessarily a bad thing. Some developed economies go way beyond 200% of the GDP on debts like, for instance, Japan. The only difference between the Japanese economy and ours is that ours is a tiny economy while Japan's is a large industrialized economy. Everything counted, countries like Kenya can ill afford to take debts exceeding 60% of the GDP but Kenya is now almost reaching 70%.

Contrary to what many people believe, debt is actually a beneficial and recommended pursuit, if used correctly. It enables a nation or an individual to equalize income and expenditures over time, and improve standards of living earlier than would be attainable. This is what individuals, corporations and countries do to improve their standards of living and shareholders' net worth; by pulling their future incomes forward via borrowing. Show me a rich individual, corporation or a country and I will show you debt. Problems begin when the debts are mismanaged, as is the case in Kenya.

Our domestic debt is owed to commercial banks, pension funds, insurance firms, parastatals and other investors. Most of it is, however, owed to local commercial banks.

One of the reasons the Jubilee government does not like the media is because they don't like to be questioned. When you have stuff to hide, the media

becomes the enemy. When you have issues you cannot account for, the media is a threat. And when you are caught, you fight back.

Since taking power, Kenyatta's cabinet members and other senior officials have had some tough explaining to do, both in parliamentary committees and in the media, not to mention ethics and anti-corruption agencies.

William Ruto, particularly, came into office with aplomb and he seemed as the one man who had everything at his fingertips – even though he had embarrassing land cases against him in the courts and at least one lady who was telling everyone the deputy president impregnated her and took off. In the first three years he would be seen in the media churning out impressive figures, and he was always on the lucky side because TV news anchors are not known to check their facts as thoroughly as their editorial counterparts in the print media.

Going into the second term the deputy president would not agree to be interviewed unless deals were made beforehand. Before even Uhuru ditched him for his pact with Raila, Ruto had begun to sound like a man who knew he was a coxswain of a soon-to-be-sunk ship. In one interview we conducted he got so animated that he retorted that Uhuru was not his husband, suggesting that we should go and ask the president himself what was happening in the country. Forgotten was the moniker the *dynamic duo* because the two had never been dynamic and now they were not even a duo.

Cabinet ministers in the Kenyatta administration were always telling untruths. The president and his deputy themselves often told contradictory stories, sometimes stories that are different from the ones that the government's own books were showing. One of the glaring areas where these shenanigans were told was on roads.

When Kenyatta took over there were about 12,000 kilometres, give or take a few, of tarmac roads in Kenya done by his predecessors, including the colonial government. When he was campaigning in 2013 he spoke boldly about doubling that number in his first five years in office. It was a fantasy Kenyans swallowed hook, line and sinker. I still have a copy of Jubilee manifesto of 2013 and roads were one of the big promises that Kenyatta and Ruto dished out. There was almost no campaign rally where he didn't mention that he was the roads man. We can now examine his record and judge if he was telling the truth or if it was just another trick.

Reporting for an international media house, in 2017 I was one of the journalists who confronted him about the promise of 2013 on roads. He finally admitted that his government had only constructed only 1,950 kilometres of

roads in five years. This was less than a quarter of what he had promised in 2013. It should also be recalled that many of the roads Kenyatta was quoting had already been started when Kibaki left office and Jubilee only came to complete and claim glory.

The shenanigans ran deep. Figures that I corroborated with the government's own bureau of statistics shows that in his first seven years, Kibaki used Sh185 billion to construct 98,000 kilometres of roads (both gravel and tarmac) while Jubilee used Sh927 billion to construct 80,000 kilometres of roads (both gravel and tarmac). The difference in expenditure here is as plain as day. It was as if Kenyatta was using gold to pave roads while Kibaki used tar. Governments who ran schemes like this one have very good reasons to be wary of the media.

Let us go back to the 1,950 kilometres Kenyatta claimed to have paved in five years. This translates to 390 kilometres of roads per year against the backdrop of over 1,000 yearly kilometres that he had promised. I undertook a study on these figures and I could not independently verify whether even those 390 kilometres per year were done, neither could I find an organization that had independently done so.

Moreover, his two concerned ministers, James Macharia of Transport and Henry Rotich of Treasury, each kept giving his own figures which were divergent from one other and also from those of the president. Who can really trust these guys?

For good measure, the president also said that his administration has connected over 99% of Kenya's schools with electricity during his Madaraka speech of 2020, which was not celebrated open-air because of the coronavirus. I did my own fact-checking and found the information to be incorrect by more than double digits.

Kenya's sugar industry has had many problems since the 1970s. But even in the darkest days the sugar factories, or at least the majority of them, kept running. It was under Uhuru Kenyatta's presidency that they all fell silent, rendering thousands of youths jobless and wiping out the livelihoods of millions others who depend on the industry for sustenance like farmers and traders. We have been told that Kenya's sugar cane has less sugar content and are of poor quality. There are also excuses about inefficiency in sugar factories.

What we have not been told by the government is why Uganda makes sugar for less money or why Brazilian cane has more sugar content and is cheaper. Why did they refuse to construct a factory to manufacture inputs or

even zero-rate the imported ones? Why did they not introduce cane variety that had more sugar content? And why blame inefficiencies in the factories when the government could intervene early because it has large stakes in most of the factories?

The sugar industry is already the most protected in the country because Kenya's factories make sugar that costs almost three times more than the global price. The country has fought for COMESA safeguards of the crop but the elephant has always been in the room. Kenyatta's administration has been invariably reluctant to take action to stop the ruining of the livelihoods of those dependent on the sugar sub-sector. Why has the government been unwilling to sack the entirety of boards of directors and management in the parastatal sugar sector?

It appears like state-owned mills are run as welfare operations for the government constituents and not commercial ventures. Boards and managers are, in fact, friends of politicians who influenced their appointment in the first place. This argument does not entertain the possibility that politicians have been a crucial element in the mess.

The programme of sugar imports is such that when it was originally formulated in 2003 under Kibaki, the intentions of its advocates bears little resemblance to the purposes to which it was put a decade later under Kenyatta. At the time, anti-market mechanism was to protect the cane farmer. Today protection and a restricted import policy have failed to secure farmers welfare but still, sugar imports remain the irresistible and pathological edifice upon which the political class interferes in everything in the industry.

Therefore we must lay the blame where it really belongs: the Uhuru Kenyatta administration.

The results have been horrendous for areas of western Kenya that rely on sugar. One of the glaring end products, at least according to police records, is that the sugar belt areas are now leading in increasing crime rates, including robberies, domestic violence and homicides. Factoring that the area is one of the most populated and restive in Kenya, the elements could be gathering for a bigger explosion.

CHAPTER 6 WE ARE ON OUR OWN

Phone calls from an American or British ambassador to an African president are always given first-priority status. For so-called Francophone countries, it

is the French ambassador. The reason is because Africa never became truly independent. It is now around six decades since most African countries gained political independence and no African government has attempted to put the history of its territory and their people in the true perspective.

Individual people have often tried, and many times they have faced opposition not from their oppressors, but from their fellow Africans.

To understand why Africa is still under the shackles, you need to take a second look at how the colonial experiment was executed. Colonialism in Africa was not started by governments. It was a private enterprise and the governments only moved in later to provide security to the privateers. Colonialism and slavery everywhere started as private enterprises. They also thrive as private enterprises.

In East Africa, it was the private enterprise called British East African Company. Today, western multinationals and individuals still colonize Africa in almost every sector and their home embassies exist mainly to ensure that wealth is shipped back home, just as in the colonial times. The only difference is that now they have African presidents who work as *nyaparas* for the multinationals, and African armies and police forces to protect their wealth.

Let me tell a story to illustrate my point. When the Covid-19 lockdown was announced I was in Kisumu. I had gone to see an old man called Lucas Ochieng who was in distress at a place called Nyamware, just a few kilometres from Kisumu city along the southern beaches of Lake Victoria.

I spent part of my teenage years in Kisumu and this man acted like my father. I found him living in a makeshift house at a market centre with his family, his 50-acre farm having been flooded by the lake and lost forever. It was disheartening to see a man who was an employer during his prime living like a refugee. I counted over 20 families in that market centre alone who had been displaced. Thousands of families around the lake have been uprooted forever and their lives will never be the same again.

Later in the same week, Uhuru Kenyatta was reported calling the governors of Murang'a and Kiambu counties and giving orders for the lease of Del Monte farm to be acted upon. Del Monte is an American company that owns a pineapple farm of 60,000 acres straddling Kiambu and Murang'a counties. Thousands more acres lie idle. This is a farm owned by foreigners who got it by evicting the locals using methods not different than those employed by Nazi Germany, and got a lease of 99 years without paying a cent. The lease expired a long time ago and Kenyatta was intervening so that they can get another 99 years of usage.

Contrast Kenyatta's prompt intervention on behalf of foreigners with his indifference about the lost farms of his own people around Lake Victoria. Raila Odinga, who markets himself as the man of the people, had been to areas near the lake and spent the entire time hopping from one burial to the next talking about BBI. Kenyans, like their other counterparts in Africa south of Sahara, are always on their own.

In a country like Kenya, both the American and British embassies have offices and a workforce bigger than that of State House. These are the citadels of power where the destinies of poor Africans are designed. Their job is to ensure that as much money as possible is shipped from Kenya to England and the US. They have files on every politician and other leaders. Budgets and executive decisions from both government and the private sectors are scrutinized, analyzed, and appropriate actions taken.

An African employee in one of the embassies informed me that he is perplexed to note that even educated Kenyans think that those embassies work for them. It is not unusual to find journalists who should know better reporting with pride that Kenya has the biggest American embassy in the region and that its ambassador is more senior than other ambassadors in the region. It is a situation akin to black slaves in the 18th century North Carolina taking pride on the size of their masters' cotton plantations.

I have read with shock at some of the reports coming from these embassies, where Kenyans and Africans are described in the same way we use to categorize animals in the Maasai Mara. For instance, one report stated that public opinion in Kenya is driven and anchored on the general opinions of the middle class. These are usually dirt poor people who do not realize they are poor because they have seen worse. How can you not feel privileged living in a tenement with a shared toilet in Eastlands when you have seen a family of ten living in a single-room mud shack where people defecate in a plastic paper bag and swing the poop through the window?

One of the horror reports I read said that if an African can get food to sustain himself, a smartphone, and access to sex and entertainment, then he would be content not to involve himself with lofty ideas about the economic destiny of his people. You get angry after reading such reports but at the end of the day we must sit down and take an honest look at ourselves. Nobody can treat you, both as a person or as a unit of persons we call a community, in a way that you did not invite to yourself. Have we taught the rest of the world to treat us like animals?

During one of his publicized meetings at State House, Uhuru Kenyatta called all sectors of the private and public service to discuss corruption. Business leaders, members of the supreme court, the police and the military leaders, youth leaders, academic leaders, the media, NGOs – everyone was represented.

Uhuru Kenyatta himself was not there when the meeting started and he only staggered in later and grabbed the microphone to tell everyone that there was nothing he could do about corruption. He said his hands were tied and even denied that corruption in his government was as high as reported. But the take of the day was that Uhuru Kenyatta himself appeared to be inebriated.

Speaker after speaker, many of the attendees defended Uhuru Kenyatta, with former Parliament Speaker Francis ole Kaparo offering the most defensive pitch for the president. Inspector-General of police Joseph Boinett blamed the runaway corruption in the police service on the Kenyans themselves. An opinion poll carried out later by a polls company showed that over 40% of Kenyans blamed corruption on those who gave bribes.

The Matatu Owners Association had brought a matatu owner and a driver to give their side of the story. They both offered a very convincing story on why they gave bribes on the road.

The matatu on the road is usually acquired through expensive loans and the vehicle is usually repossessed after defaulting for as few as 40 days. We have laws that allow the police to detain a vehicle for a minor offense for up to a week. This means loss of revenue for the matatu owner and joblessness for the driver and his conductor. At Kasarani police station I found that if a matatu is detained even for a day you will find the battery, spare wheel, music system, the jack and wheel spanner missing. Leave it there for a week and the other wheels, alternator and other removable parts will be gone.

I confronted the base commander, who is the traffic commandant in charge of the police division, with the facts as I wrote this book. A skinny man who looked resigned to the sad state of affairs, he informed me that he could never leave his own vehicle in the station too. He moaned that he once left his vehicle at the station and someone yanked out the radio at night. If the police boss himself could not trust the station to guard his vehicle at night, it is infinitely worse for the rest of other Kenyans.

The vehicle owner is thus left not only with the prospect of losing his livelihood and investment, but also his home since the auctioneers sent by the creditors can no longer profit from attaching the shell at the police station. Matatu owners have told horror stories of how their matatus were vandalized

at police stations after they were impounded for such minor offenses like having a conductor who didn't wear the correct uniforms. In such cases, the creditors will come for your home because the vehicle will be worthless to them.

Some people will ask why matatu people break the law in the first place. The truth of the matter is that whether you have broken the law or not, the police have authority to detain your vehicle as you go through the court process. Put yourself in the shoes of the victim and you will realize that the only way for such a man is to pay the Sh600 in bribes demanded daily, which translates Sh18,000 per month, than to resist and have your family living in the streets.

Africans are usually on their own in their own countries, without protection or cover. In Nairobi the foreign embassies in leafy areas of the city are mini state houses whose job is to continue the colonizing project that was started by the British East African Company over 130 years ago. In the British and American controlled areas the job is done in a covert manner but in Francophone areas the methods are cruder and more brazen.

When Sékou Touré of Guinea decided in 1958 to get out of French colonial empire, and opted for the country's independence, the French colonial elite in Paris got so furious, and in a historic act of fury the French administration in Guinea destroyed everything in the country which represented what they called the benefits from French colonization.

Three thousand French left the country, taking all their property and destroying anything which could not be moved: schools, nurseries, public administration buildings were crumbled; cars, books, medicine, research institute instruments and tractors were either crushed or sabotaged; horses and cows in the farms were killed, and food in warehouses were burned or poisoned.

The purpose of this outrageous act was to send a clear message to all other colonies that the consequences for rejecting France would be very high.

Slowly fear spread through the African elite, and none after the Guinea events ever found the courage to follow the example of Sékou Touré, whose slogan was: We prefer freedom in poverty to opulence in slavery.

Sylvanus Olympio, the first president of the Republic of Togo, a tiny country in West Africa, found a middle ground solution with the French. He didn't want his country to continue to be a French dominion, therefore he refused to sign the colonization continuation pact that the French President De

Gaule proposed, but agreed to pay an annual debt to France for the so called benefits Togo got from French colonization. It was the only condition for the French not to destroy the country before leaving. However, the amount estimated by France was so big that the reimbursement of the so called “colonial debt” was close to 40% of the country budget in 1963.

The financial situation of the newly independent Togo was very unstable, so in order to get out the situation, Olympio decided to get out of the French colonial money FCFA (the franc for French African colonies), and issue the country its own currency.

On January 13, 1963, three days after he started printing his country’s own currency, a squad of illiterate soldiers backed by France killed the first elected president of a newly independent African country. Olympio was killed by an ex-French foreign legionnaire army sergeant called Etienne Gnassingbe who received a bounty of \$612 from the local French embassy for the hit man job.

Olympio’s dream was to build an independent, self-sufficient and self-reliant country. But the French didn’t like the idea.

On June 30, 1962, Modiba Keita, the first president of the Republic of Mali, decided to withdraw from the French colonial currency FCFA which was imposed on 12 newly independent African countries. For the Malian president, who was leaning more to a socialist economy, it was clear that colonization continuation pact with France was a trap, a burden for the country’s development.

On November 19, 1968, like Olympio, Keita would be the victim of a coup carried out by another ex-French Foreign legionnaire, the Lieutenant Moussa Traoré.

In that turbulent period of African fighting to liberate themselves from European colonization, France would repeatedly use many ex foreign legionnaires to carry out coups against elected presidents: On January 1, 1966, Jean-Bédél Bokassa, an ex-French foreign legionnaire, carried out a coup against David Dacko, the first President of the Central African Republic. On January 3, 1966, Maurice Yaméogo, the first President of the Republic of Upper Volta, now called Burkina Faso, was victim of a coup carried by Aouabacar Sangoulé Lamizana, an ex-French legionnaire who fought with French troops in Indonesia and Algeria against these countries’ independence. On 26 October 1972, Mathieu Kérékou who was a security guard to President Hubert Maga, the first President of the Republic of Benin, carried out a coup against the president, after he attended French military schools from 1968 to 1970.

During the last half a century, a total of 67 coups happened in 26 countries in Africa and 16 of those countries are French ex-colonies, which means 61% of the coups happened in Francophone Africa.

At this very moment, 14 African countries are obliged by France, through a colonial pact, to put 85% of their foreign reserve into France central bank under French minister of finance for control. These 14 African countries still have to pay colonial debt to France. African leaders who refuse are killed or violently removed through coups. Those who obey are supported and rewarded by France with lavish lifestyle while their people endure extreme poverty at home.

In the American and British controlled Africa, the bait is to encourage African leaders to take their children to school in England or America and allow the leaders to have property in certain foreign capitals. Some leaders are even allowed to have medical cover for their families abroad to ensure that they would never see reason build good hospitals in their own countries. They turn a blind eye when proceeds from theft and corruption are invested in their capitals like London and Paris.

Thus set, for African leaders there is always the risk of personal sanctions if they don't toe the line. This explains why Kenyan leaders are terrified of personal sanctions. This is because such sanctions would mean their accounts abroad would be frozen and properties seized. They would also have no medical access abroad and would have to do with local hospitals – scary stuff for the mostly sick African leaders.

Those who resist to play ball, like Mwai Kibaki, can have their countries set on fire as it happened in Kenya in 2007. Those who lock away the land thieves, like Robert Mugabe, can have their countries obliterated altogether by sanctions as it happened in Zimbabwe.

CHAPTER 7 A GOVERNMENT ON A LEASH

People coming from other parts of the world think there is something wrong with the people of the continent because there are so many educated people and virtually inexhaustible natural resources, yet poverty seems to be the underlying theme in Africa. This did not just happen. When the colonialists left physically they retained control of our money to ensure Africa would forever remain subservient to the west.

Few leaders have dared to try to turn the tide. Mwai Kibaki tried it and he succeeded to some considerable degree. But what Kibaki gained, Uhuru Kenyatta quickly reversed when he took power.

In 2009, Britain and America, through the World Bank and IMF, were aggressively pushing for an anti-money laundering law to be sponsored by the government in Kenya. Mwai Kibaki told them off. And for a good reason.

The successful reforms that Kibaki brought to the banking sector greatly alarmed the west. A situation where Africans were free to control the generation and use of their own wealth was fundamentally opposed to the neocolonialism project that thrived under the structural adjustment programmes era of President Moi. If you look at the graph of Kenya's economic growth since independence, our economy was doing very well under both Jomo Kenyatta and Daniel arap Moi until the structural adjustment programmes were forced upon Moi by multilateral institutions. While Moi was a champion political fighter, he didn't have the foggiest on idea how to mount an economic counter-attack.

I will briefly explain why this anti-money laundering law was meant to put Kenya on the leash. Anti-money laundering laws are usually meant to give foreign cross-border policing agencies like the Interpol and FBI access into the financial systems of poor countries like Kenya. The explicit reasons given by the movers of such schemes are mainly in the realm of fighting crime. But the implicit reasons are actually control and neocolonialism. Such laws give the west invaluable intelligence on our own domestic financial affairs that are then used against us for control, mainly through multinationals.

Notably, Kenya has never been a hotspot for money-laundering. By insisting that Kenya must adopt the laws, the west was being insincere in their demands. You don't proscribe medicine for a disease that is not there just because some big boys somewhere are suffering from it.

Every known African dictator was propped up by some western power, including the most bloodthirsty ones, in one way or another. When these dictators emptied African coffers and trucked entire countries' wealth to Europe, the Americans didn't try to stop this highest form of money laundering. Billions of dollars of African wealth got lost through this avenue, never to return. Yet the westerners wanted to censure the small amounts coming into our land in form of genuine investment.

Experience has taught us that whenever money-laundering laws are instituted in a third world country, investors who are not from the west take

off in droves. Poor countries desperately need foreign investments, especially from countries that have had bad experiences with the west like us.

Kibaki's argument was that people from the entire world needed to be allowed to bring money to Kenya without hindrance. Kenya already had enough domestic mechanisms of detecting money that came from proceeds of crime and that had served us well. But opening up every local bank account and investment portfolios of all Kenyans to westerners who had a history of mistreating us simply didn't serve our strategic financial interests.

Mwai Kibaki vigorously resisted such laws both in 2009 and 2010. Interestingly, Uhuru Kenyatta was the Minister for Finance at that time and so he had a front-seat view of what was happening. But upon gaining presidency, one of the first things Kenyatta did was to dispatch his cabinet secretary Henry Rotich to rush to Parliament to introduce the very laws he was sent by Kibaki to oppose in Parliament.

By mismanaging the economy and failing to stop corruption and wastage, Uhuru Kenyatta needed to borrow money to plug his budget deficits. In the area of deficits Kenyatta beats all his predecessors by hundreds of billions of shillings. Just like Moi's failures drove him into the hands of westerners, who then took control of our monies, Kenyatta was driving our country directly to where the west wanted us to be.

Presidential incompetence is a nation's biggest curse. Whenever the western leaders see an African president running on record deficits, they toast in happiness. They know they can now put him on a string and play him like a puppet. For you to access their loans, they lay down a raft of demands – mostly in the areas of tax incentives for their multinationals operating in African countries. They also have leverage on the president to push for their own neocolonisation agenda.

When Uhuru Kenyatta was calling the governors of Murang'a and Kiambu to intervene on the behalf of Del Monte, he most probably had received a hot call from a western ambassador. Failure by a deficit-running African president to bow down to western demands is always met with dire consequences, including freezing of loans, which always lead to the dangerous road of either borrowing heavily domestically (thus denying your people bank loans) or printing more money (thus driving up inflation rates). Both ways lead to the tanking of the economy.

David Mwiraria shared with me an interesting story when he became the Finance minister in January 2003. After he had prepared the national budget, both the World Bank and IMF local directors came knocking on his door,

demanding to look at the document. Mwiraria was informed by his directors at the Treasury that that had been the tradition during the Moi years. These representatives of multilateral lender institutions would always tinker with the document and change areas they didn't like. In effect, these foreigners were the real designers of our budgets.

This meant that they put their own interests first in the budget. If you refused to change the areas they wanted, there would be no money for you to plug your deficits. Mwiraria told me he was alarmed and called President Kibaki. The president informed his finance minister to tell the fellows from the World Bank and IMF to get lost. For the first time, Kenya created a budget that did not factor monies from the two institutions. In a real sense, Kenya finally became independent on that day.

Mwai Kibaki's decision sent shockwaves through the multilateral and diplomatic circles in Nairobi. Usually a western ambassador's success in his home country is measured by the amount of money he was able to channel to his home economy from the poor countries of Africa, normally through multinationals. When the British and American envoys realized that they no longer had the leverage that they enjoyed before in government to push their agenda, they launched a massive campaign to destroy Mwai Kibaki.

Almost every other weekend, they would host opposition politicians (notably Raila Odinga and Kalonzo Musyoka) in lavish parties in their residences where bonding sessions went into late night. Massive amounts of monies were channeled into the opposition and civil society. This experiment had been used before in Zimbabwe and it worked magic. What the British had done with Morgan Tsvangirai in Zimbabwe, now they did it in Kenya with Raila Odinga. This continued even after he became prime minister.

The well-oiled campaign and propaganda machinery of Raila Odinga's ODM in 2007 and Morgan Tsvangirai's MDC in 2008 are good examples of how effective neocolonialists can be when they mount an attack. After the debacle of the two elections, the two parties were never funded again and Mugabe went on to easily beat Tsvangirai in subsequent elections while Raila was beaten by Uhuru Kenyatta twice in the subsequent elections.

I remember Francis Muthaura telling me that he was perplexed that top politicians were always driven at top speed whenever they were summoned by the American or British envoys. He informed me an ambassador was usually a very junior person in any government and it was rather demeaning for a prime minister and vice president to place themselves in that position. Muthaura told

me he would never attend a party hosted in the residence of a foreign ambassador. Ambassadors needed to come to him, not the other way round.

I also discussed this issue with Michael Kijana Wamalwa, Moody Awori and Johnson Muthama and all the three gentlemen expressed surprise at the level of leverage western ambassadors enjoyed with African politicians. At this point, I need to disclose that I was the official biographer of both Moody Awori and David Mwiraria, the two ministers on whose jurisdiction the Anglo-Leasing scandal fell. I discussed the issue with both men and they gave me somewhat conflicting stories, though the Mwiraria version was more detailed. I have discussed this affair in the second volume of this book because it is true some gross mischief was actually conducted.

Back to the money-laundering law, this was what westerners had always craved to get from a Kenyan president. By obeying them, Uhuru Kenyatta was confirming that he was on their leash. With the crazy borrowing under the Jubilee government, it will only be a matter of time before loan repayment obligations completely mess up our budget deficits. And then the Americans and the British will start designing our budget just as they did under Moi. It is the worst case scenario that can happen to an African economy.

I share this particular observation because we still occupy a very coveted position as far as control of our money is concerned. In East Africa, only Kenya and Rwanda are free to make their own policy on matters economics – thanks to brave actions by Paul Kagame and Mwai Kibaki. But while Rwanda is moving further ahead, Kenya is steadily moving back into the jaws of the sharks Kibaki rescued us from.

In pushing for laws that almost every other notable economist opposed, Kenyatta was working against the prosperity of his own people. The anti-money laundering laws coincided with a drastic drop in investments by foreign investors, especially those not from western Europe and northern America. But he had also his own selfish interests inspired by his own obsession with control. By giving foreigners the right to torment his own people, Uhuru Kenyatta was also laying ground for the police state that he was establishing in Kenya for himself.

The hypocrisy of the Americans who pushed it here was matched by our own president's insecurity and paranoia. Comparing Kenya and America, Kenya is just a toddler that is learning to walk. For comparison, the first anti-money laundering law was only introduced for the first time on American soil in Texas in 1986. Some states in America don't even have an anti-money laundering law, and you have to wonder why the Americans couldn't start in

their country before coming to bully us. One example of a state that doesn't have the kind of laws the Americans were thrusting down our throats is California, which is unsurprisingly America's richest state.

Uhuru Kenyatta fell into the same trap that many African presidents have fallen into without due consideration for the consequences against his fellow Kenyans. He proved once again how ideologically different he was from his own father and also from Mwai Kibaki, the two presidents who refused to be carted away in basket like supermarket goods.

Every time an influential world leader wins elections in his country provides scenes of great embarrassment for black folks all over the world. Take Vladimir Putin or any American presidents, for instance. After every successful election they call virtually all African presidents to their capitals so that a foreign leader can explain what plans he has for the African demagogues. They would have been given free rides with their wives or mistresses, and they would be carrying money in suitcases to buy Rolexes, Cuban cigars and the finest malt whiskeys. New photos of smiling African despots taking photos with a French president or Xi Jinping of China shows up every year.

African presidents love to travel. They go to listen to what plans other world leaders have for them because they usually have no plans of their own. In East Africa, John Magufuli of Tanzania is the only president who has resisted all attempts to be displayed like a trophy in a foreign capital.

CHAPTER 8 THE MAKING OF AN OLIGARCHY

Kenya is an oligarchy. According to my dictionary, oligarchy is a form of power structure in which power rests with a small number of people. These people may be distinguished by nobility, wealth, education, corporate, religious, political, or military control.

The Kenyan oligarchy is political in nature. It started right after independence in 1963 when the ruling class, from State House down to the chief in the village, orchestrated the most widespread looting of public resources and public land recorded anywhere in Africa. It is hard to get any other republic in the world that was founded on the leitmotif of theft.

The Kenyan oligarchy is preserved through state capture. In this scenario the state acts as a private entity that only serves the interests of the ruling

members of the oligarchy. The citizens are in effect like their slaves, and the country itself akin to a cotton plantation where the slaves spend their days in hard labour. Then the proceeds of the hard labour are instantly sucked through high taxes back to the state and into the hands of the oligarchy.

An oligarchy is a land of fear. Control is the most important tool for the members of the ruling elite in the oligarchy. In this classic Greek tragedy, the poor citizen lives in fear of the many laws instituted in his country to protect the oligarchy. The ruling members of the oligarchy themselves live in fear of the day the poor man will finally wake up. Therefore the suppression and dehumanization of the poor means life and death to the rulers and continuity of the status quo is violently guarded. When the old members of the oligarchy die they usually pass the baton to their sons and daughters, who pick up from where their parents left off.

The designers of oligarchies are usually not intelligent people. They are usually people who got wealthy through theft or violence, or are inheritors of such wealth. They play on the most primeval fears of mankind – the fear of other people. They use money to muscle their way into the political arena. Then use extreme language and dark maneuvers, including the mass slaughter of the poor, to whip up fears. Then they position themselves as the savior of the targeted group of people.

From this point the focus on power is clear. Massive amount of stolen money is used to literally hypnotize the people to think only of the election date. This is done by orchestrating extreme rhetoric where matters of political power are made to look like a zero-sum game. Anyone who gets on the way, like an election official who cannot play ball, is abducted and killed by assassins. A fall guy, mostly a poor man who happened to be in the vicinity minding his own business, is swiftly caught and jailed. The real killers themselves and their masters are never caught.

The Kenyan oligarchy survives through two strategies. The first strategy is through systemic disenfranchisement of the youths from the main economic system. Young people are the biggest forces of change and it makes sense for an oligarchy to suppress them. The second strategy is by putting a glass ceiling on the poor so that they may not ascend to financial independence, mainly through massive corruption, violence, nepotism and high taxes directed to the poor.

In this chapter I want to share with you how the Kenyan oligarchy suppresses the dreams of the poor through unreasonably high taxes.

Comparatively, Kenya boasts a pool of human resources almost unmatched anywhere on the continent. But Kenya's entrepreneurial spirit, especially in the area of startups, does not match up. Laws and regulations in Kenya are usually designed to heap high taxes on the areas dominated by the poor while extending extremely generous tax incentives to the areas dominated by the affluent.

Take for instance a wealthy man with intentions of leasing an entire floor of a skyscraper in Westlands or Upperhill in Nairobi for his business. In most cases the only certification required of him is the license from the county government, which usually costs around 10k depending on the county you operate from. The county licensing officers will not even show up to check if you have paid when you are housed in a skyscraper at Upperhill. This ensures that for the rich man, all the monies to be invested in the business will go into spending on the core functions of the business.

Thus set, the rich man can maximize his profits while waiting to pay taxes only after earning. The rules are different for the poor man.

Now compare this with the poor Kenyan who wants to start a water refilling shop at Kitengela. This is probably a poor man who has sold some property or taken a loan from somewhere, sometimes from as many as three financial institutions or shylocks. He knows he cannot earn more than Sh2k per day refilling water at Kitengela but he would be extremely grateful for that because at least it is enough to feed his family. Seeing that his richer counterpart at Upperhill hired an entire floor for millions per month but only pays Sh10k for license, our Kitengela man would be thinking that the same applies to him.

Unfortunately for him, the single county permit for his kind of business costs Sh18,500, almost double that of his counterpart who has invested millions on the other side of town. Then the public health office will come for sh13,000 to allow him to operate. Next would be the Kenya Bureau of Standards (Keb), who would come for Sh102,000. KRA would send three different contingents to collect money. Sh50,000 for excise license, Sh300,000 for excise bond and Sh50,000 which is the minimum payment for excise stamp.

Then the National Environment Management Agency (NEMA) would come for their cut, totaling Sh33,000. The poor man would also pay Sh15,000 for mandatory lab testing and MOU. All these payments so far mentioned are recurring payments and they must be paid before the poor businessman in Kitengela can start selling water.

At this point the poor trader has already paid Sh581,500 even before he has earned a coin. I have done some research and I did not find anywhere else in the world where a poor man who operates in a single room costing Sh5k per month is required to pay over Sh581k in ridiculous government charges even before he has earned a single cent from his business. But it does not stop there.

After starting operations the poor man will pay all the other taxes demanded of other businesses, which usually hover between 30% and 40% of his total revenues. On top of that he will pay an additional 0.5% of his entire turnover in standard level taxes and Sh5.47 excise for every litre he will sell. If he will sell his water in other counties, some of these taxes will double. The tragedy here is not the fact that Kenya is the only country in the region where bottled drinking water is more expensive than petrol, but actually the process through which we got there.

Here we have a case study of a poor man in Kitengela who is supposed to pay extremely high charges before starting a business, while the business itself will bring less than 5% profits of the monies demanded. Yet the government of Kenya insists that it does everything to make it easy on the small man.

A poor man operating a water refilling shop in Kitengela pays more charges than the multi-billion Coca Cola company that makes Dasani water. This is because the multinational is not required to pay cess charges when transporting water from one county to another while the small trader operating a shop is required to do so.

The system is designed to punish small businesses or drive them entirely out of town. In Kenya, the most active units in both the national government and the county governments are the regulatory, licensing and enforcements units. In any given Kenyan township or estate there is always an army of officers from these units swarming the streets harassing poor Kenyans. They usually have a direct line to the local police chiefs, who usually take a cut from the proceeds, and government vehicles are at the disposal of such officers.

The roadblocks that startups in Kenya have to scale are the stuff of legend. There is no centralized area or portal where all these charges can be paid, neither is there any information centre where all the charges are outlined.

Government officers wait for a startup to open shop and then invade. At that point they will inform you about charges you have never heard of before. Moreover, when they discover you have paid some of the charges, they will deny you one or two of the certifications with the knowledge that you will

either choose to close and lose your entire investment, or you will pay any bribe demands they put on the table.

At the end of the day the trader will have paid more than Sh1 million just to be allowed to start a small business whose earnings after tax will be less than Sh30k per month.

In an oligarchy like Kenya the poor man is usually hunted down like a wild animal. Sinkholes are created on every path that he treads. Where he can't be sunk underground, high fences and barriers are erected ahead of him. This becomes the primary focus of government and its institutions are evaluated and rewarded depending on their efficiency in this front.

To become a doctor, an accountant or a journalist, all you need are the qualifications. You only pay taxes after you have been employed or after you start earning. But things change radically if you are a jobless youth looking for manual labour. Take a matatu conductor, for instance. Before he can be allowed to work, he must pay some PSV charges. The PSV charges are not professional levies, neither do they have any standardization value like the driving license. They are 100% taxes.

Kenya is perhaps the only country known to demand exorbitant taxes from jobless youths before even they can be allowed to start looking for a job. During my research I spoke to leaders of the Matatu Owners Association and they informed me that more than 70% of youths who have already paid for PSV cannot even get a job. Yet they have paid an anticipatory tax that is not required of people in other areas of the economy who earn more money than them.

There are more than 100,000 boda boda riders in almost every county in Kenya today. I spoke to their leaders too. These are mainly young men who could not get a job. At Ruiru town in Kiambu county I encountered one who had a masters degree from one of the local state universities. His father is also a boda boda rider and one of their leaders. Their motorbikes are usually on the range of 100cc to 150cc.

I checked the costs of importing the biggest boda boda motorbike from China and confirmed that the motorbike gets to the port of Mombasa at the cost of only Sh37k. When the same bike reaches the showroom, whether in Mombasa or Kisumu, the cost is usually around Sh120k. The difference is the number of taxes levied on them by the Jubilee government. Motor vehicles pay less than a third of the same levies. Motorbikes also have the curious distinction of paying an SGR tax. This is paid whether you bought your bike

in Mombasa, meaning it did not use the SGR, or whether you bought it in Mandera.

With the government domestic borrowing ballooning every day, the banks have tightened their purse strings and getting a loan for a boda boda is almost impossible for poor youths. They result to expensive shylocks or hire purchase facilities provided by the sellers themselves. These facilities make the final cost to shoot to at least Sh230k for one 150cc motorbike. By the time the youth has finished paying for his bike the machine is usually as heap of scrap metal. Then the same process starts again.

In effect, the taxes levied on the poor youth act as a glass ceiling that he will never surmount. It is designed to ensure poor people remain poor. The vicious cycle continues for years and into decades, ensuring that the poor youth will grow old to a poor man and have his children take over from him and repeat the cycle again. All oligarchies are designed with these seasons and cycles where the rich inherit the rich and the poor pass the baton of poverty down for generations.

There is no other area of the economy where something that costs Sh37k is inflated to over Sh230k because of taxes and official shenanigans. The boba boda sector is today one of the biggest cash cows for the oligarchy.

During political campaigns, the mode of which Kenya has remained since at least 2005, helicopters will be hired by the same money stolen from these young people. Some of the money is then used to divide them along tribal lines.

If the Kenyan oligarchy was a house, the roof would be religion. Africa, Kenya included, is the only place in the world where the number of churches outnumber both schools and hospitals, in some places with a surprising ratio of ten to one. At Mlolongo, for instance, we counted more than 40 churches but only one public primary school. We didn't see any public hospital. One of the churches was located next to a bar and another was on top of a *mabati* brothel.

During much of post-independence Kenya, the church establishment served as a moral compass for the country. Many fighters of social justice and fair play were members of the clergy. Kenya's history on the fight against corruption is littered with names like Ndingi mwana a' Nzeki, David Gitari, Alexander Muge and Timothy Njoya, to name a few. They were the true vanguards of the people's freedoms.

Discussing about where the rain started beating us in this area might be a topic for another book. But after this generation of fighters had retired the church soon started dining with the vipers it was supposed to warn the people about in the first place. By 2007, when the country almost went to civil war, things had gone south for the church such that every clergyman was supporting his own local tribal chief. More than a decade later the church has never regained the moral standing that it once enjoyed.

What happened to the church in the events leading to 2007 provided a welcome relief to Kenya's oligarchy. Kenyans were still as religious as ever; but the shepherds had since gone rogue. This was an opportunity for politicians. It is very easy to rape a person who is mentally retarded. And blind religious belief is a form of mental retardation, a pestilence that only death can separate from its victims.

When the Jubilee outfit was campaigning in 2012 they virtually colonized church pulpits countrywide. Bishops, vicars and pastors were bought with wads of crisp bank notes. Seeing Jubilee leaders kneel at the front of the church as bishops in purple robes defended and prayed for them, did magic in the minds of religious Kenyans. Surely these two were innocent! Whenever the Jubilee campaigns went, the bishops and pastors would be seen driving shiny SUVs only a few days later. Bishops in other parts of the country that were not visited would call journalists to complain. In these strange times, Jezebel looked more appealing than the Virgin Mary.

Raila Odinga and ODM party complained bitterly about Jubilee's tryst with the church. Although he would have loved to be the groom himself, Raila and ODM had hopelessly mismanaged their campaigns and they didn't have the money to go round for every prostrating bishop. In any case, Raila Odinga himself specialized in hijacking the funerals – not the churches.

Other politicians were watching as the Jubilee politicians executed their move on the church in 2012 and 2013. Today, any governor caught with a case of corruption usually hires his own bishops for photos at the altar or the pulpit. They are usually taken a photo while kneeling or contributing to the church. Currently there is no better sanitizing agents in the minds of Kenyans than getting members of the clergy to make a public spectacle on your behalf. The more resources you have at your command, the bigger number of bishops and archbishops will be at your beck at call; all at the right price.

Religion is an emotive subject in Kenya but stupidity needs to be called out. Perhaps people need to review their religious beliefs in light of grossly unsettling events orchestrated by the custodians of such doctrines.

Take for instance when people were demonstrating in Mount Elgon because of landslides. At the same time others were living like refugees after at least five lakes swelled their banks by up to five metres. Our leaders completely ignored their cries and instead decided to go for showmanship. In the same weekend President Kenyatta rushed to Ukambani to witness the installation of a new bishop, complete with a snaking convoy, while DP Ruto was in western Kenya hosting a raft of more bishops with gifts.

Kenyatta and Ruto know no one will blame them. Kenyans love to defend their bishops. They also love showering their bishops with gifts and offering a big proportion of their earnings and wealth to them. After paying up to 60% of their monies to the government in form of taxes and other charges, Kenyans take another 10% to their churches, being taxes demanded by the gods so that the bishops can feast and make merry right here on Earth – not to mention the fine-print extras like Sunday collections, church gifts, offertories, seed-planting, quota payments, pledges and other dubious payments.

This observation is not an indictment on religion in Kenya; and I do recognize that religion plays an important role in the lives of Kenyans. But if surely there is a religion that teaches poor people to give their money to wealthy bishops whenever they need it – while at the same time asking poor people to pray for their own money when they need it – then this is a religion in dire need of reforms.

CHAPTER 9 KENYA'S TAX GENOCIDE

The plot against Africans thickens in their own land when it comes to making money or trading. Here is where daylight robbery is conducted by gangsters who are aided by the government.

Take tea for example, our biggest export product. Kenya is also the second biggest exporter of tea in the world after Sri Lanka. I want to use this product to demonstrate that African leaders do not support their industries. Instead, they do their best to punish those who are producing in the cruelest ways possible. A farmer receives only Sh16 per kilo for his product. At the port of Mombasa the same kilo is sold for Sh208. So where does the difference go? The simple answer is: Taxes.

Just pose for a moment and let this sink. For every 100 shillings that a tea farmer makes, 91 shillings goes to the government as taxes. And we have not

even included the thefts conducted by KTDA, as I will show in this chapter. We have also not factored the inputs levied on farmers and other costs, including his own tea-picking and transportation costs. When everything is tallied, a farmer earns less than one shilling from every 100 shillings the government and other looters make from him.

There are over 40 taxes levied because you are exporting. In short, the Kenya tea farmer is punished on 44 different levels for simply wanting to better himself and support the economy by earning his country new foreign exchange.

To understand the huge difference between the Sh16 the local farmer gets and the Sh208 the same product is sold at the port by the Kenya Tea Development Authority (KTDA), you need to understand how the dynamics in the tea sector are stacked against the poor farmer. Besides the government thirst for milking its people dry, the tea multinationals are also to blame. There used to be a major tea auction in London where tea could go for as much as Sh50,000 per kilo.

Tea multinationals operating in countries like Kenya orchestrated the closing of the London auction in 1998 after Africans discovered they could sell their tea there for more money. This left the multinationals controlling the end market which Africans cannot access, leaving their only option as KTDA.

I will list here the number of taxes tea farmers pay before their product can reach Mombasa on one hand, and how multinationals are assisted by the Jubilee government to evade taxes altogether. I will use real life examples that you can easily verify. Of everything I have written in this book, if this does not outrage you then I wrote this book in vain.

Let's count these insane taxes one by one. All these taxes go by very many names but they are what they are: taxes. And all of them are shouldered by the poor farmer in Kericho, Imenti or Mudete.

Besides the Kenya Revenue Authority (KRA), tax accountants in the sector have to deal with over 10 other agencies among them county governments' revenue officials, the Agriculture and Food Authority (AFA) and the Kenya Plant Health Inspectorate Service (Kephis) who charge various levies and taxes. On the line are also the Kenya Bureau of Standards (KEBS), the National Environment Management Authority (NEMA), the Kenya Ports Authority (KPA), the Department of Occupational Health and Safety (DOHS) as well as Weights and Measures, among others.

The tea sector is one of the most restricted industries in Kenya where players have to be licensed and this comes with various registration fees. To

be a buyer at the tea auction, one has to pay a Sh10,000 annual fee to the Agriculture and Food Authority (AFA). To be a processor, you also have to deal with a Sh7,500 yearly fee.

Then there is the Sh10,000 fee for tea auction organisers, Sh2,000 for tea packers and Sh25,000 for every management agent. These are annual fees and are eventually part of the costs of doing business in the sector every year.

County governments have their set of taxes that tea factory companies in their zones must deal with to be allowed to operate. You would expect that having paid all the other taxes, farmers would be spared any additional fees. First is the green leaf cess that is levied at one percent on the gross value of the produce. This may look a small fee but combined, county governments end up collecting hundreds of millions of shillings from the sector. Cess is a colonial tax in the mold of hut tax and poll tax but it still thrives in Kenya.

There are also a host of other levies depending on the county. In Mombasa, there is Sh5,000 levy as port health charges. This is annual. It was inherited from the Mombasa municipal port health levy. Then there is also the annual Sh10,000 license fees charged by the county. On top of this, tea companies deal with land rates that range from about 0.3 to 0.75 percent of undeveloped value annually.

There is a weekly inspection and grading fee from the Kenya Plant Health Inspectorate Service (Kephis). This is charged at Sh5,000 per consignment and this doubles to Sh10,000 per multiple consignment to one consignee that it inspects. This is not all that Kephis takes. The plant health inspectorate also asks for Sh1,000 for the Kephis SPS certificate, which is charged weekly.

After they are done with Kephis, they now have the Kenya Bureau of Standards (Kebs) to deal with. For Kebs, the tea industry has to pay a levy charged at 0.2 percent of the value of made tea or Sh400,000, depending on whichever is lower, for the product conformity. This is an annual fee. A similar amount is also paid for the Kebs quality standard, this time quarterly. Then there is the National Environment Management Authority (NEMA) to deal with.

Every tea factory company has to part with at least Sh55,000 annually for the air emission license from environment watchdog. This is in line with the emission license as per Air Quality Regulations, 2014.

To get a water license, they have to pay Sh100,000 annually as part of the Waste Water Regulations to NEMA. The environmental watchdog also charges a 0.1 percent levy of investment costs on the NEMA environmental audit done every year.

After finishing with NEMA, the tea industry now has to deal with the Kenya Ports Authority (KPA). The authority charges a Sh9,000 levy for every 40-foot container at the time of loading. KPA also has the terminal handling charges of Sh200 for every 20 feet container, also charged at the time of loading.

The Directorate of Industry Training Levy (DIT) charges tea factories a Sh50 levy per employee. This fee is paid monthly and increases labour costs, which reduce how much money tea farmers take home at the end of the year.

The Kenya Maritime Authority is not left out. The industry now has to deal with Merchant Shipping Superintendent (MSS) levy which is charged at Sh10 per tonne every year. To get the Chamber of Commerce Certificate of Origin, the tea industry has to pay another levy, which is charged at 0.025 percent of the gross value of tea sold.

Cess is an antiquated colonial tax that continues to impoverish small-scale farmers in Kenya and it hits tea growers from various fronts. First there are the APC licenses, then the fuel wood movement which is charged at about Sh300 per vehicle per trip.

Tea factories consume mountains of firewood to power their boilers that generate heat needed to wither tea. It is impossible to escape this tax, which cumulatively on a daily basis ends up in hundreds of millions of shillings at the end of the year.

The Department of Occupational Health and Safety (DOHS) charges Sh2,060 for their annual license while the Weights and Measures demand Sh2,010 annually for scales.

The tea sector relies on weight to make purchases and this means that they have numerous scales to support them. At the national level, the Water Resources Board charges Sh4,600 for the water permit, which is another levy on usage of water. Then the ministry of health also asks for Sh1,000 to be given the Underground Water Tank license.

Mombasa county, which hosts the tea auction and is also the destination of all tea before it is shipped out of the country, makes a killing on parking fees. Every truck pays Sh1,700 per day as the Mombasa municipal parking ticket. Then farmers have to pay management fees to their managing agents, which is another form of tax. Currently this fee is about 2.5 percent of their revenues.

The tea factory companies also pay various subscription fees to various organisations such as the East African Tea Trade Association (EATTA), a voluntary organisation that brings together tea producers, buyers (exporters),

brokers, tea packers and warehouses. Membership to the Kenya Tea Growers Association (KTGA) also attracts some annual subscription fees.

After this, they will now start dealing with eight official government taxes that are paid to the taxman at the national level by all other companies. At the point of export, tea companies must pay the import declaration fee. This is 2.75% at the point of export. Then tea factories have to pay a furnace oil import tax charged at six cents for every litre. This tax should be paid daily.

Since most of the transport in the sector is by big trucks, tea farmers cannot escape the vehicle advance taxes through their tea factories. It is an annual tax charged at Sh1,500 per tonne of commercial vehicle.

The motor vehicles also deal with another tax when they book the annual inspection. There is also another duty that is paid at a rate of Sh10,305 per cubic metre for fuel for agriculture operations. This is a daily tax.

But on top of the government taxes is the usual corporate taxes, which are paid by all companies. Before the Covid-19, this tax was being charged at 30 percent. Now, this is charged at 25 percent.

Since most tea factory companies under the KTDA are owned by farmers, producers end up taking this tax bill as well. This tax is paid in installments, using the performance of the previous financial year as a guide.

Then there is the 16 percent Value Added Tax (VAT) that is paid by all tea companies when they sell their produce through brokers at the auction. Due to Covid-19, the government reduced the rate to 14 percent, giving taxpayers some marginal relief. VAT is paid monthly and defaults can be extremely painful.

After companies make some money and declare some dividends to their shareholders, most of who are the smallholder tea farmers, their earnings will also have to be reduced by five percent, which is the withholding tax on dividends. This is an annual tax and is paid by tea factory companies upfront before forwarding the rest of the dividends to their shareholders.

Tea brokers, which are at the tail end of the tea industry food chain pay 0.75% levies as producers and 0.5% as buyers. In its latest update on the sector, AFA is preparing farmers to expect a bad year given the drop in average prices at the global level.

After all these taxes, a farmer is paid only Sh100,000 for tea worth Sh1,100,000 – which means the government takes a cool one million shillings and gives the farmer Sh100,000! When MPs from central Kenya, who happens to be the president's tribemates, cried wolf in public rallies Kenyatta simply called them *washenzi* and shut them down.

I have not even gone to the thefts in factories themselves and also within KTDA. I toured some of these factories when I was gathering material for this book. I discovered that for every 20 kilos of tea, 2.5 kilos are deducted arbitrarily. When I questioned why they informed me that the 2.5 kilos is the weight of the small cloth they use to weigh every batch of tea.

When I took the cloth itself and weighed it, I discovered it weighed only 400 grams, which meant they were stealing 2.1 kilos from every 20 kilos delivered. When you factor the millions of kilos delivered annually, I figured tea farmers alone are losing more money to official thieves annually than happened in the Goldernberg and Anglo-Leasing scandals combined.

All the 54 factories owned by the farmers produce annual accounts and print them into booklets for farmers, as is required by law. The booklets are printed one side in Swahili and the other in English. When I did my math, I discovered the figures they print in Swahili are not the figures printed in English. KTDA does this to mislead the farmers because most farmers read only the Swahili version while the real doctored figures, which are presented to the media, are the ones in English.

Conflict of interest matters little in organizations instituted by the government to help poor farmers. The board chairman of KTDA is Peter Kanyago. This tea tycoon also happens to be the owner of a tea brokerage firm called Geopet. Insider trading is the name of the game in the tea industry. As long as they can dump Sh16 for every kilo robbed from the poor tea farmer, private jets will continue landing and taking off with brokers in dark suits and suitcases filled with billions of dollars.

Lerionka Tiampati has been in charge of KTDA for decades. As I collated material for this book, I implored some farmers at Ragati tea factory at Karatina in Nyeri county, where I was born, to raise these issues with KTDA. A week later, I read a *Daily Nation* story where Lerionka Tiampati was quoted scoffing at farmers that if they didn't like it they could as well uproot their crop. This arrogance is inspired by the fact that Lerionka Tiampati knows the farmers' crop is tied to loans and monies advanced by KTDA because the farmers are always very broke.

In this vicious cycle of expensive debt and crop slavery, every farmer knows his farm would be auctioned the moment he will uproot the crop. And then the farmer would become a squatter in a country he gave millions of shillings and countless hours of hard labour.

Now let us compare what the Kenyan tea farmer goes through with what the flower farmers enjoy. They do not pay the kind of taxes Kenyan farmers pay and they are protected from paying colonial taxes like cess and about 38 other taxes that Kenyan farmers pay. Note that flower farming is controlled by multinationals whose embassies and home governments lobby for them and also have top lawyers to help them cut every corner in the book. And there is nothing the government of Kenya can do about it.

We will take the example of flower grower Van Den Berg, a Dutch company operating in Kenya and also in the Netherlands. The trick by multinationals is that they never sell their products at auctions and their market in Europe and north America enjoys protection that is not accorded to their African counterparts.

Like other multinationals, Van Den Berg sells their produce to their parent company in the Netherlands. This is in effect one company selling flowers to itself. If a flower stem costs Sh24, they put the cost at Sh10. No one asks questions because it is the parent company that provides the buying figures, which are grossly undervalued by more than half of the actual price so as to pay less taxes.

Scrutinize the papers and you will discover that both the local and the parent company have lower prices in mutual dealings. However, the significant difference in prices used by Van Den Berg showed that the flower grower's parent company was using the Kenyan subsidiary to suppress profits in Kenya and declare huge earnings in the Netherlands, which has a much lower corporation tax rate than Kenya.

The gimmick Van Den Berg uses to evade billions in taxes is known in corporate circles as transfer pricing. Two related companies do curious trade with each other, which appears to the layperson to make no business sense. Usually these two companies are owned by the same people. The company that makes money from the trade is usually registered in a tax haven, hence gets to enjoy almost all the profit it makes.

Transfer pricing is just a tool, and the endgame—declaring profit in a tax haven—is known as profit shifting in corporate lingo. Van Den Berg is, however, just one of several flower growers using such gimmicks to avoid paying taxes. All multinationals I investigated use these methods to evade taxes. This is not to mention the horrendous working conditions of their employees, the little pay and the sheer abuse orchestrated both to the environment and poor Africans.

Compare the two examples and it is impossible not to feel outraged. Yet African presidents will be jamming an Airbus plane soon to meet the leaders of the same people who are oppressing Africans while posing for photos in suits. They will be wearing more expensive suits than their richer hosts, with ivory-crusted pens peering from the pinholes, ready to sign any deal that is laid before them.

CHAPTER 10 THE PLOT AGAINST LOCAL BUSINESSES

Amos Kimunya arrived at the Treasury building with aplomb when he became the Minister for Finance in 2006. First he used \$1.2 million to pay an audit firm to probe personal affairs of his predecessor in the office, an unprecedented action for a minister against a cabinet colleague. He didn't find anything, so the money was a waste. It was all done behind the back of the said cabinet colleague.

An arrogant guy, a few days later Kimunya was gloating in front of TV cameras, telling Kenyans that Raila Odinga could not understand how the economy worked because he (Raila) thought the economy was a fish market.

During this time I was a reporter and I went to see Jason Kimbui on assignment at his office on Ngong Road. Jason Kimbui had a long banking history, having been the first Kenyan to head a bank when he became the founder CEO of Cooperative Bank of Kenya. John Michuki would be the second when he headed Kenya Commercial Bank a year later and Stanley Githunguri the third when he took over at the National Bank of Kenya in 1971.

Jason Kimbui had a long history of struggles on behalf of Africans, first against the colonialists and later against multinationals. He had headed cooperatives in his native Meru before independence, having schooled in Scotland. He was also the founder of CIC Group, where he became the first chairman. As his official biographer, perhaps I am biased on my assessment of his counsel. But I thought it was foolhardy to ignore the warnings of a man who had spent almost 60 years fighting for the financial space of his fellow Africans.

On this rainy morning Kimbui had called me to warn me about Amos Kimunya and also ask me to investigate him in my journalistic work. Amos

Kimunya was the blue-eyed boy of multinationals, he told me. I am not insinuating that Kimunya broke any laws but what followed was telling.

A few days later I went to Parliament on assignment and one of the parliamentary reporters informed me that brown envelopes were being passed around. MPs were receiving bribes everywhere, from the dining area to the lounging areas next to the lobby, and from the parking areas to the toilets. I witnessed some of these incidents. One MP from Makueni county was frank with me and informed me that the money was being dished out by an agent who had been hired by East African Breweries (EABL) to do the dirty work for them.

At the time I lived in an apartment inside the brewery itself and I decided to investigate. I knew many senior officers in the brewery, having done some jobs there years earlier. My father also did business with the brewery and some directors were actually family friends, so getting insider information was not difficult for me. East African Breweries, a British owned company, was planning to use Kenya's Parliament to close Keroche Industries, a company that was the first local firm to offer real challenge to the giant EABL since its founding in 1922.

EABL was not averse at riding roughshod over the law. Earlier it had bought the Castle Breweries factory on Thika road for the sole purpose of closing it, firing thousands of employees in the process. Yet there was a law against such an undertaking. Now its sights were trained on Keroche Industries. While brown envelopes were flooding Parliament, other shenanigans were being played in the Treasury itself.

The Minister of Finance of any country usually has sweeping powers given by the law especially in areas of taxation. He may arbitrarily tinker with taxes as he wishes in the Finance Bill tabled after the budget reading. The Finance Bill is a long and financially pedantic document that most MPs do not even read. Most MPs usually pass the bill untouched after confirming that the Constituency Development Fund (CDF) funding to their constituencies is included. Media analyses also dwell on the popular areas like taxes on consumer goods. Incisive analyses on tax implications are never front-cover fodder in newspapers or lead stories on TV merely two days after the budget reading.

So when Amos Kimunya zero-rated non-malt beer, which the foreign owned EABL made, while at the same time increasing taxes on Keroche Industries products to 40%, there was no outrage. At this rate, EABL could afford to reduce the prices of their popular beers while Keroche Industries

would incur heavy losses at the same time. Someone was working very hard to have Keroche Industries closed within months.

The owners of Keroche Industries spoke to many MPs but no one would help them. Then they wrote to Paul Muite, who was the chairman of Justice committee in Parliament. Muite smelled a rat and passed the letter to Dr Oburu Oginga, whose jurisdiction the matter fell as the Trade and Finance chairman.

Dr Oginga's committee was composed of a financial dream team. David Mwiraria and Chris Okemo, both former Finance ministers, were members. Wycliffe Oparanya, an able mind and future Minister for Planning, was a member too. Dr Oginga himself was a PhD in economics. These gentlemen had a deep understanding on how things worked at the Treasury and quickly grasped what was happening. It was impossible to play tricks on such men on matters finance.

I was the official biographer of both Dr Oburu Oginga and David Mwiraria and both men confirmed to me that there was hanky-panky going on.

While the battle against Keroche Industries was being waged through the Treasury and Parliament, another plot was hatched in other fronts. An MP from Kiambu county who owned a famous private investigations company in the city was hired to do a hatchet job for some corporate crooks, ostensibly with instructions to come up with certain findings. The final analysis was that reports started circulating in the media that Keroche Industries was manufacturing poisonous products. The same reports ended up for debate in Parliament.

In the meantime, the Finance and Trade committee headed by Dr Oburu Oginga petitioned Kenya Bureau of Standards (Kebs) to authenticate the reports. Kebs officers travelled to the Keroche factory in Naivasha, where they tested the products again and gave them a clean bill of health. Keroche people had the gods to thank because someone had bribed government officers in every conceivable area but forgot to dish some of the money to Kebs.

When the committee raised alarm in Parliament, many people could see that Keroche Industries was being fought at multiple fronts simultaneously. Even some of the MPs who had pocketed the brown envelopes now started distancing themselves from the EABL scheme. President Kibaki had been sick lately and he hit the roof with fury when he caught wind of what was happening. The MPs took cue and quickly voted to overrule Amos Kimunya's deadly recommendations. Keroche Industries and thousands of jobs, including

billions in investments in the factory and also in farming and transport sectors, were saved just in the nick of time.

At this point I must issue a disclaimer. Though I reported on what was going on, I never met the Keroche people and I do not know them personally. I pick their example because I was able to gain insider knowledge of what was going on and also because it provides a good example of how Kenya's ruling elite kill local businesses in favour of multinationals who can offer huge bribes.

As a reporter I also witnessed such schemes being played against Airtel when it was locally owned, and also against Softa bottlers and Mastermind tobacco. In the case of Softa, they succeeded and the factory was closed with thousands of jobs and billions in related local investments going up in smoke.

Flash ahead to 2020 and the voluble MP from Garissa, Adan Duale, has fallen from grace and dropped as majority leader for Jubilee in Parliament. President Uhuru Kenyatta wasted no time in giving the job to Amos Kimunya.

To appreciate the dynamics of the plot against locally owned businesses in Kenya, it is good to do comparisons with other areas of the world where economic progress was achieved through local entrepreneurship. I am not even talking about incentives for local businesses like it happened in many Asian countries. The plot against Kenyan businesses exists at the base level.

The script foreign financial mercenaries use to enslave Kenyans in their own country is old and well tested. Evils of domination, be they financial or political, are crafted in the same way. Benito Mussolini, Adolf Hitler, Idi Amin and Saddam Hussein, to mention a few, rose to dominance using the same script. Perpetrators begin by creating an enemy, real or imagined. Then the people are invited to bow down to every form of evil in the guise that they are being protected from a mortal enemy.

I have seen multinationals commandeer entire newsrooms where Kenyans are warned against fake medicines, bad alcohol, substandard gadgets, risky banks, dangerous juices, and the like. I have explained how this is done in detail in the media chapter. The police are bribed and then called in to make arrests in a choreographed manner where journalists are invited to record and make it more dramatic. Then police bosses, with their cut in the pocket, make dramatic statements about capturing dangerous people who ostensibly endanger the lives of the public.

This is how African startups that pose challenge to multinationals are killed. First they rope in regulatory agencies to invade, then humiliate and

discredit you, then lastly your factory is closed. If you prove to be too difficult, MPs will be bribed and even the Treasury itself. The end effect is that local people do not have any confidence in locally owned products, even when they are of the highest quality.

Kenya not only has one of the biggest constitutions in the world, but one of the highest cumulative numbers of national and regional laws in Africa. Kenyans must even abide by laws telling them which hours they can drink alcohol and when they cannot. The schemers of the rules assume Kenyans are juveniles who must be controlled and monitored even in their private affairs.

Kenyans have been treating themselves even before colonialism but they cannot produce their own medicines in 2020. They cannot make their own clothes or make a single bar of chocolate for their kids. All thinking must be done for the African because he is a species who cannot think for himself. He must abandon his very identity and also believe that it is right for a man to have sex with another man but wrong for a man to marry two wives.

Security apparatus come in handy when the political class wants to humiliate a local businessman. Successful local entrepreneurs who do not enjoy political patronage must either bend down or ship out. Take for instance the case of Humphrey Kariuki, a local tycoon. When the leaders of the Kenyan oligarchy wanted to do him in, they first closed one liquor factory associated with him. They then issued warrants of arrest for him and ignored even mentioning other directors of the same company.

Director of Criminal Investigations (DCI) George Kinoti and Director of Public Prosecutions (DPP) Noordin Haji were dispatched and they competed against each other in issuing hourly updates to the media about the whereabouts of Kariuki. I do not know the merits and demerits of the said case and I cannot write about the case itself because it is still in court. What I am positing here are the tactics used to intimidate and humiliate a reputable Kenyan entrepreneur. His case was accorded more attention by the two branches of government than they accord terrorists.

When he finally arrived from a trip abroad all media houses were invited as the police waited for the airplane to land. Never before had a tax case been accorded such impassioned status. The said culprit himself is a prominent Kenyan who owns Fairmont Mount Kenya Safari Club, a hotel billed many times as the most expensive hotel in East and Central Africa. Can this kind of person really be a flight risk?

Compare this treatment with the one accorded to foreigners who control multinationals in Kenya. I have outlined elsewhere in this book how flower

and tea firms owned by foreigners (with verifiable details from the government itself) cheat Kenya out of tax amounts far larger than the amounts the security organs claimed Kariuki cheated the government upon. In fact, the foreigners were never arrested or charged. They will never be arrested or charged, leave alone suffer the humiliation of being paraded like an adulterous woman in the market square of an Islamic city.

As a result of this state of affairs, a Kenyan who can raise Sh1 billion shillings is scared of investing the money in his own country. The few who are bold enough usually put up apartment complexes or shopping malls. The reason is simple. The political elite cannot find a way of bringing down a shopping mall other than demolishing it altogether. This explains why studies have shown that Kenyan cities, especially Nairobi, boast some of the largest proliferation of new shopping malls in Africa.

The cost for the economy has been devastating. A shopping mall worth Sh5 billion provides employment to around 500 people. But a factory worth the same amount employs of 5,000 people directly and hundreds of thousands others indirectly.

This state of affairs, coupled with anti-money laundering laws introduced by Jubilee (explained in another chapter) makes any Kenyan investor with money to spare to become paranoid. They don't know when the ruling members of the oligarchy will come for it. As a result, many Kenyans are now investing their money in Tanzania, Rwanda and South Sudan, in the process exporting jobs that should have been given to Kenyans here at home. This also explains why Kenya has since overtaken the United Kingdom as the biggest foreign investor both in Tanzania and Rwanda.

But even in Rwanda and Tanzania the investors can be tracked through the implements of the East African Community (EAC). Enter Mauritius, a small island on the Indian Ocean.

At the time when the Jubilee government was harassing and torturing Kenya's business class, Mauritius was positioning itself to receive Kenyan money to build her own economy. The rule in Kenyan business circles today is that if you can afford a few hundred millions shillings but do not have politicians to protect you, the place to take it is Mauritius. Many wealthy Kenyans are also incorporating their companies in Mauritius and shipping out jobs from Nairobi.

As a result, a tiny island with a population of only 1.2 million exported goods and services worth Sh7.8 billion to Kenya while we exported only Sh1.26 billion worth of goods back to Mauritius. Those are the figures for

2019 and the number from Mauritius is scheduled to surpass Sh10 billion in 2020. A big chunk of our sugar confectioneries, vinegar and articles of apparels is now imported from Mauritius but manufactured by companies owned by Kenyans who are terrified of investing in their own country.

In the 1980s India caused a storm worldwide when Prime Minister Indira Gandhi announced that India would no longer honour any pharmaceutical patent. As long as Indians were manufacturing medicine using their own raw materials and their own scientists, they would continue doing it. World media of the 1990s was dominated by propaganda sponsored by big pharmaceuticals from western Europe and northern America, warning about drugs from India.

But India soldiered on. Today, the very same people who were being warned against India in the west spend billions of dollars per year going for treatment in India. India is now a world leader in medical sciences. It boasts some of the biggest medical research institutions in the world and the biggest vaccine maker in the world is also in India.

Kenya is where India was 50 years ago. We have all the materials that can make medicines for most of our medical needs but the tight controls instituted by the government on behalf of multinationals are insurmountable. Anyone who tries to make new drugs is arrested, paraded by the police before the media, then thrown into jails as some Kenyans cheer. Millions of shillings are used every day in the many regulatory and licensing bodies warning Kenyans against this or that drug or medicine.

Yet the biggest risks Kenya faces today are unaffordable or nonexistent drugs. Hundreds of thousands of Kenyans die each year because they either could not get the drugs on time as they are too expensive, or just because they never got the drugs at all. Almost every Kenyan family has a sad story to tell as they watched their loved one endure a painful, and often slow and humiliating, death because they could not get the drugs needed for their condition.

In India of the 1980s, Indira Gandhi argued that the grave risk posed by the complete lack of drugs greatly outweighed the risks the western pharmaceuticals were touting against fake drugs. Likewise, Kenyans do not need to be protected from any drug made locally than they need to be protected from the grave danger of lacking drugs at all. Their government, however, does not see it that way.

The case for relaxing or suspending the rules altogether has merit. Unlike what the propagandists argue, the science of making drugs is not complicated.

Even cave men knew how to administer drugs. They knew which were the right ones and even the dosages required. This is not a matter that needs the protection of 14 regulatory and licensing agencies – plus millions of shillings in the form of charges – to pull off.

Let me give an example here. I researched about the manufacturing of Sildenafil even though I am not a scientist. Sildenafil is known for making Viagra but its most widespread use is for making drugs for reducing high blood pressure. Sildenafil is a life saver. I discovered that it takes less than one shilling to make 100mg of Sildenafil. But when it is patented it costs Sh1,000 for the same 100mg. When you contrast the difference and apply the rule of thumb, this means we can as well afford 1,000 more dosages of essential drugs from a cost of just one current dose and roll out affordable healthcare for all.

Take another useful drug like Amoxicillin, for instance. This is an antibiotic used to treat a number of bacterial infections. These include middle ear infection, strep throat, pneumonia, skin infections, and urinary tract infections, among others. It is taken by mouth, or less commonly by injection. A full dosage for an adult in Kenya costs around Sh3,000 while that of children costs around Sh1,000.

This is a drug that can save hundreds of thousands of lives, especially children. It is also one of the easiest drugs to make because it is manufactured using the dry granulation process. The dosages of these drugs both for adults and children cost less than Sh30 to manufacture but retail in the thousands. This incredible parity reflects the stranglehold with which multinationals have around our necks; and the incompetence of the people who are supposed to free us from this kind of commercial tyranny.

When Europe and northern America were developing, the levels of their science and the safety of their products were lower than what is found in Kenya today. The working conditions in their factories were also horrendous but that did not prevent them from taking the risks because a risk-benefit analysis favoured the benefits. When China was developing they even allowed, as a matter of policy, peasants and small-town dwellers to set up experimental factories in their backyards. There were a few accidents and pushbacks. But the risks were worth it. Japan had followed the same path years earlier.

Western media mounted a campaign to convince the world that Chinese products were substandard but the Chinese soldiered on. From making toys

and bicycle tubes, they now lead the world in 5g technology and space exploration, among other high sciences.

In Kenya, especially under Jubilee, the method has been to introduce more laws and regulations, not to mention certifications and exorbitant payments, before you can be allowed to provide a job to a single Kenyan. That is why a tiny African island with no natural resources and a quarter the population of Nakuru county is exporting goods and services to Kenya seven times higher than the amounts we are exporting back. At this rate, in a decade Mauritius will be exporting 20 times more than we can export back.

South Africa has the same population as Kenya, take or add a few million, but they use four times the amounts of toilet paper we use. The truth is most Kenyans cannot afford toilet paper. In South Africa they allow you to make small toilet papers in your home and sell them for as low as Sh3. In Kenya there are at least 9 regulatory and licensing agencies you must pass through before you can be allowed to make a single toilet roll. Licenses and certifications alone will cost you more than Sh2 million, not to mention the bribes you have to give along the way.

After you have acquired the license, in Kenya you must again reckon with the rules laid down on how to make your toilet paper. All toilet rolls in Kenya must be of the same width and length. They must also be 2-ply. There is absolutely no room for making toilet paper that the poor can afford. This rule favors the big companies, mostly owned by Indians who call themselves Kenyans but live in the United Kingdom, where the holding companies of their Kenyan manufacturing factories are located.

Kenyans follow their rules and the majority of people who cannot afford it have to do with wiping themselves with leaves or, in places where there is no vegetation, their fingers.

CHAPTER 11 LAND OF IMPUNITY

At any given time of the day, we have more than 2,000 convoys of fuel-guzzling cars on Kenyan roads. They comprise those of the president and his deputy and their first ladies, 47 governors, 47 first ladies, 47 deputy governors, 47 second ladies, more than 1,000 CECs and county speakers, MPs, senators, service commanders, speakers of national assembly and senate

and majority and minority leaders, head of commissions, cabinet and principal secretaries, and parastatal chiefs.

In some instances mistresses and girlfriends have mini convoys of their own. And poor Kenyans foot the bill for this kind of crazy spending.

The finest five-star hotels and beach hotels (and Kenya has some of finest in the world) never experience bad business days. In fact, when their counterparts were closing in other affluent areas of the world due to coronavirus, some of their Kenyan counterparts were recording booming business. This is because much business of the national government and the county government is conducted in hotels. Some government officers, for instance the governor of Vihiga, lives in a luxury tourist resort despite having a home in the same county.

Kenyans have witnessed bizarre spectacles like in Machakos where poor shoppers have to be cleared out of the supermarket entrance by the security detail as a first lady makes a grand entrance. In Siaya, the governor lived in neighbouring Kisumu city for years because there was no hotel or residential palace large and grand enough to accommodate him in his county. Before becoming governor, the same man had been living in a middle-class area of Nairobi's Eastlands. The first governor of Kirinyaga lived in Embu town, which is located in a neighbouring county, for the same reasons. Both men had homes in their own counties.

Down at the coast, Amason Kingi took one look at the exclusive beach villas as soon as he was elected governor and got himself one of them for Sh100 million. He used robust language to argue that a governor needed to live in ritzy surroundings. This in a county where 91% of the population have no running water and girls as young as 12 troop to the beaches to prostitute themselves to tourists old enough to be their grandfathers because there is no food to eat in most of Kilifi county. In press conferences, the governor uses pedantic nuances like global warming, maritime currents and global recession to explain why his people do not have a single functioning cooperative society and why his people sometimes survive on tree barks, wild berries and snails.

In a neighbouring county things are worse. A playboy governor has discovered how playing close to Raila Odinga can be the ultimate panacea for dangerously low levels of intelligence. Though he specialized in garbage collection before he joined politics, the playboy has since distanced himself from anything garbage, including the stinking heaps of uncollected garbage in his town. Travelling the world with chartered Gulfstream aircrafts on the dime of his poor constituents, complete with a bevy of slay queens, the high point

of his day is the hour he uses social media to show Kenyans the dinner table aboard the chartered aircraft overflowing with lobster, caviar and fine Champagne.

But a visitor would be forgiven to think the county governments were founded on the worst parts of hell if he has not encountered the impunity in the national government itself. Uhuru Kenyatta's convoy is usually longer than that of his American counterpart and at least three times longer than that of British Prime Minister Boris Johnson. The presidency receives billions in budget per year and the vote for this budget is usually not contested in Parliament. No auditing for the monies is made public, if at all it is done at all.

And because that is not enough, the presidency increased its own spending by Sh442 million in June 2020. This is at a time when Kenyatta was giving speeches about austerity measures because we were in the middle of the coronavirus pandemic. It was strange that the budget was shooting up by crazy amounts at a time the president and his deputy were doing very limited travelling and they were not receiving any visitors at all because of the global lockup.

In one of the dossiers released by the Wikileaks, the American ambassador is captured explaining to his seniors in Washington that African leaders are like children. MP's, senators and cabinet secretaries are always plotting how to travel abroad and use their per diem allowances (Kenya has the longest list of allowances in Africa and number 3 in the world) to shop while wining and dining in exclusive spots around the world. They love travelling so much such that journalists usually have hard time getting information from government ministries because senior officers are often not available.

When cabinet secretaries are appointed they usually land in their ministries like bulls in a China shop. Most would have bought their way during the campaigns by donating generously to the ruling party and are in a haste to reward themselves or recover their money. Cabinet secretaries start with an explosive shopping binge. Carpets are ripped off and Persian rugs brought in, five-star aquariums are purchased and the city's exclusive dealers are hired to advise on the most expensive upholstery, award-winning décor and latest gadgets and electronics.

In the Devolution ministry headed by Anne Waiguru, the media reported one TV set cost Sh1.7 million and there was a piano worth Sh235, 900 in her office. At this point, I want to advise the reader that I have nothing personal against Waiguru. She only appears many times in this book because of the notorious symbolism she represents.

Kenya is the only country in the world where budget running into millions is set aside for MCAs to travel to Israel in the guise of learning how to farm. They then spend their time taking photos in holy sites. It reached a point where several foreign governments, especially in the west, wrote to Kenya's ministry of foreign affairs denoting that Kenyan politicians have become a nuisance with their frequent and useless travels. Field agricultural officers who deserve to make such trips are left behind. They also don't have cars for their work or equipment needed to disseminate information for the benefit of their farmers in their areas.

In Kenya's parliament there is budget for such things as attending the World Cup but there is no such budget for our sports people and officials in the sports ministry. In any given county, almost a quarter of the county's entire budget goes to a handful MCAs, another quarter for the governor, his deputy and their first ladies. Of the remaining half, most goes to wages of county employees and only less than 20% goes to development. It is not unusual finding a county that did not spend a single coin on development for the entire financial year.

In Kirinyaga county led by Anne Waiguru, for two years the county spent more money on lawyers defending the governor in courts than it spent on health investment for the entire county. In neighbouring Embu MCAs go for bonding trips in Tanzania, where a generous allowance is made for members to get one or two yellow-yellow slay queens from Bongoland. County assemblies close every once very often so that MCA can travel to the coast, especially the exclusive areas of Diani, to conduct business in stately repose.

As I was finishing the draft of this book, I read a news article where a lecturer of the University of Nairobi was vying to become MCA of Lake View ward in a by-election. Moses Kuria (not the Gatundu MP) had spent almost a decade studying at university so that he could become a don. But he has the snowball's chance in the Sahara of owning a house any time soon in his current job. As an MCA, he could own a house in less than a year through generous grants and guaranteed mortgage plans. In a Kenya ran by the Jubilee government, education does not pay.

In another news article, South African MP Nqabayomzi Kwankwa visited Nairobi and witnessed the lavish life of a Kenyan politician when he spent a day with nominated MP Isaac Mwaura. This is what he posted later on Twitter: "MPs here have a driver, a bodyguard, a PA, a researcher, a communication officer & an admin assistant. In South Africa, we fend for

ourselves. We don't even have PAs. Spending a day with Hon. Mwaura today in Nairobi, I realized that I am an MP for a wrong country.”

For comparison, Kenya's GDP stands at only \$194 billion (PPP) while that of South Africa is \$805 billion (PPP). This makes the South African GDP more than four times larger than Kenya. GDP (PPP) means Gross Domestic Product (purchasing power parity). GDP purchasing power parity basis is usually divided by the population of the given country.

Bearing the fact that Kenya and South Africa have almost the same population size, the difference on spending on non-essential and sheer wastage is staggering. Kenya's spending on the rich makes our country the undisputed mad man of Africa, eclipsing Nigeria, Sudan and Gabon.

In the true sense of the word, Kenya's Parliament (both the National Assembly and Senate) is a travelling club. We have hundreds of MPs but you would be lucky to find 40 of them conducting any business in Parliament on the few days that are designated for parliamentary business in a month. Some have never spoken in Parliament and the majority only go to make noise about issues directed by their party leaders. One section represents William Ruto in Parliament while another represents Raila Odinga and yet another Uhuru Kenyatta. A few represent Kalonzo Musyoka and a few more Musalia Mudavadi.

As long as the political desires or whims of the party leaders are catered for, the MPs are free to engage on what they spend most of their time doing – travelling. Almost all of them belong to a taskforce or a committee or a party organ. In 2019, National Assembly Speaker Justin Muturi announced that MPs used Sh5.3 million on domestic travel alone. This excludes travel to their constituencies, which is factored in their salary allowances, and foreign travel. This amount is enough to build a new tarmac road stretching 186 kilometres. In five years, the money can build 960 kilometres of tarmac roads, almost the same length Uhuru Kenyatta builds with his national budget for roads.

Becoming a member of the political club in Kenya is a direct ticket into the class of the affluent. Education, intelligence or fidelity to service takes a back seat. The past lives of mass killers and drug lords are forgotten as soon they land in public office as Kenyans adulate their oppressors. Gold-plated watches, helicopters and Runda mansions dominate their social media feeds. In this unbelievable miasma of madness, looting public coffers on a grand scale and confining millions of people to early death becomes the highest form of morality.

There used to be claims that a powerful presidency was what made political businesses so deadly in Kenya. This notion has since been discredited because Kenya now has constitutionally the least powerful presidency in the region, and probably in Africa, yet the quest for political power is deadlier than ever before. The fact that the presidential powers were not the culprit is further emphasized by the fact that the pursuit for power in Kenya is a zero-sum game at all levels, including the county, constituency and ward levels.

The carnage is also extended to the cabinet and all major arms of government, including the military, the police and the parastatals.

To finance this fearsome edifice, Kenya has created a system of taxes, regulations, charges and fees structures where Kenyans revert over half of their earnings back to the bottomless pit of their government. In any given small town or suburb of Kenya, take Kitengela or Kayole for example, there are always an army of hundreds of personnel from both the national government and county governments collecting money – all at the pain of violence or death.

The greater Githurai area has a population of over a million people and at any time of the day there will be no one offering public services whatsoever. But there will be thousands of men and women from various inspectorate, supervisory, enforcement, taxes and licensing agencies collecting bribes and payments.

You will find three environment agencies with over 100 personnel in the area collecting bribes at any time of the day. NEMA officers will be prowling around every building taking their cut. WARMA people will be visiting every water filler business taking their cut. Public health personnel will be on every street taking money from all hotels and restaurants. Parking attendants cover every nook and cranny of the dusty neighborhoods, none of which has ever been tarmacked, collecting parking fees from all vehicles, tuk tuks and motorcycles.

Every three kilometres there will be policemen collecting their cut from every passenger vehicle, the trucks and other vehicles carrying anything of value. After the police barrier there will be the county officers with their own roadblock, taking their own cut and demanding exorbitant cess payments. County tax collectors come daily to take money from women selling a few vegetables from a roadside, then inspectorate officers, accompanied by their merciless *askaris*, will come for their cut in the evening or violently fling the potatoes and mangos to the road.

Kenyans have witnessed with consternation as askaris and policemen arrested people who have duly paid taxes, tossing old women onto high-chassis trucks headfirst so that the underpants of the grannies are exposed for all to see. Others have their heads cracked with batons. The police officers at the stations will be waiting for their own cut, with the threat of spending the night in a stinking room overflowing with urine and raw human excrement.

Officers from the pharmacy board will be combing every street and taking bribes from pharmacies and chemists while their counterparts from the doctors' board will be harassing clinic and hospital owners. The officers will be keen to take as much money as possible because their bosses give them a target for the day, which they must meet before they can start collecting money for their own use. Woe unto you if you are starting a new business because officers from over 20 agencies will converge on your premises, some of whom you have never heard of and demanding payments you have never heard about before.

The World Bank estimates that more than a trillion shillings exchange hands this way in Kenya per year. And this is just the street level shenanigans. Moving into the main halls of corruption in Kenya is the stuff that would have horrified Al Capone.

Kenyans have been treated to stories about how a lowly procurement officer earning Sh45,000 for a month would hire a helicopter to take him to his Mombasa Road mansion when traffic jam on Mombasa Road was tight. There are officers at the KRA who earn less than Sh100,000 but each owns beach plots worth over Sh1 billion. A lowly clerk at the customs department in Mombasa was reported to own a beach villa in Kikambala worth Sh120 million, where he visits during the weekend behind the wheel of a Bentley.

At Mariakani weighbridge near Mombasa, some police constables earning Sh27,000 per month hired a lawyer for millions and successfully (at least for months) stopped the police Inspector General from transferring them. One of these constables was reported to have bought two 22-wheeler Iveco trucks at the same time, each paid in cash for a total sum of Sh44 million.

The list of these examples is endless.

Kenya is a land of allowances. We spend less than Sh350 billion on all the wages of government employees but Kenya's wage bill stands at Sh800 billion annually as at 2020. Over Sh500 billion goes to allowances, some of which are duplicated up to 10 times. Some senior government employees get 10 times over their salaries in the guise of allowances.

The government collects Sh1.6 trillion in taxes, meaning over half of all taxes go to salaries and allowances. Almost all the remaining amounts is either stolen or sunk into projects even a small child would never approve of. Take for example the Galana Kalulu irrigation project. The government claims to have so far spent over Sh7 billion on the project but only made harvests worth Sh35 million at the same time. You can easily guess what actually happened to the Sh7 billion in the first place.

Things have not always been this way. When Uhuru Kenyatta took over in 2013 there were only 61 allowances across all government departments. In six years, the Jubilee government increased allowances to a total number of 246, making Kenya the number one allowances king in Africa. To grasp the staggering implications of Jubilee actions, consider that we could have funded the construction of the SGR to Kisumu in one year only if it were not for these allowances.

In Kenya, public servants are paid to do their jobs and then paid up to 246 more times for doing the very same jobs they were hired to do in the first place. But Jubilee would never touch these allowances because they provide an almost foolproof and hard-to-audit method of siphoning at least Sh500 billion meant for services for poor Kenyans into the hands of the ruling elite every year.

From 61 in 2013, these allowances now stand at 246. I am going to list them here and let you be the judge:

- I. Responsibility Allowance and Related Allowances; 1. Responsibility Allowance; 2. Special Responsibility Allowance; 3. Bandsman Allowance; 4. Headship Allowance; 5. Fire-arm Handling Allowance/Responsibility (Firearm) Allowance; 6. Animal Handler Allowance; 7. Management Support Allowance; 8. Management Allowance; 9. Management Support Supplement; 10. Coordination Allowance; II. House Allowance and Related Allowances; 11. House Allowance; 12. Housing supplementation; 13. Owner Occupier House Allowance; 14. Utility Allowances;
15. Gardner Allowance; 16. Electricity and Water Allowance; 17. Electricity Allowance; 18. Staff Water Allowance; 19. Electricity Concession Allowance; 20. Domestic Servant Allowance; 21. Furniture Allowance; 22. Compensation for Non-use of University Furniture; 23. Amenity Allowance; III. Extraneous and Related Allowances; 24. Extraneous Allowance; 25. Health Workers Extraneous Allowance; 26.

Overtime Allowance; 27. Greater Duty Allowance; 28. Sundry Allowance; 29. Presidential Escort Allowance;

30. Extra Hours Allowance; 31. Late Duty Allowance; Accommodation Related Allowance; 32. Hotel Accommodation Allowance; 33. Hotel Allowance; 34. Night Out Allowance; 35. Accommodation allowance on New Appointment; 36. Accommodation Allowance; 37. Per-diem Local travel; 38. Quarter Per diem; 39. Out of Station Allowance; 40. Maintenance allowance; 41. Out of pocket; 42. Night Allowance; 43. Out of pocket Allowance whilst overseas; 44. Living Allowance; 45. Daily Subsistence Allowance; 46. Field Allowance; 47. Tent Allowance; 48. Camp Allowance; 49. Mobile workshop Allowance; 50. Mobile Construction and Survey Allowance;

51. Entertainment Allowance; 52. Annual Leave Allowance; 53. Hardship Allowance; 54. Non-practicing Allowance; Risk Related Allowances; 55. Risk Allowance; 56. Medical Risk Allowance; 57. Health Risk Allowance; 58. Prison Risk Allowance; 59. Danger Allowance; 60. Transmission and Live Line Allowance; 61. Safety Allowance; 62. Dirty Cargo Allowance; 63. Dirty Work Bonus; 64. Heavy work Bonus; 65. Wireless Operators Allowance; 66. Sanitation Allowance; 67. Toilet Cleaning Allowance; IV. Medical Related Allowances; 68. Medical Allowance; 69. Out-patient Allowance; 70. Outpatient Medical Allowance; 71. Daily Hospitalization Allowance; 72. Transport on Medical Treatment; 73. Optical Allowance;

74. Dental Allowance; 75. Inpatient Allowance; V. Emergency Related allowances; 76. Call-out Allowance/Call Allowance; 77. General Availability Allowance; 78. Emergency Call Allowance; 79. Standby Allowance; 80. Adversity Allowance; VI. Special Duty Related Allowances; 81. Special Duty Allowance; 82. Special Duty Allowance “Executioner”; 83. Special Duty Allowance (Maximum Security “Prisons”; 84. Special Judicial Duty Allowance; 85. Special Parliamentary Duty Allowance; 86. Acting Allowance; 87. Special Activities Allowance; 88. Special Deployment Allowance; 89. Special Drivers Allowance; 90. Special School Allowance;

91. Telephone Allowance; 92. Mobile Allowance; 93. Airtime Allowance; 94. Tools Allowance; VIII. Uniform and Related Allowances; 95. Uniform Allowance; 96. Robe Allowance; 97. Plainclothes Allowance/CID Allowance; 98. Soap allowance; 99. Laundry Allowance; IX. Clothing and Related Allowances; 100. Clothing Allowance; 101.

Warm clothing Allowance; 102. Winter Allowance; 103. Outfit Allowance; X. Security and Related Allowances; 104. Personal Security Allowance; 105. Security Allowance; 106. VIP Protection Allowance; 107. Judges Drivers Allowance; XI. Meal and Related Allowances; 108. Meals Allowance; 109. Meals Break Allowance; 110. Breakfast Allowance; 111. Lunch Allowance; 112. Dinner Allowance; 113. Day trip Allowance; 114. Safari Allowance; 115. Meal for Permanent Way Employees;

116. Duty Travel Allowance; XIV. Transport and Related Allowances; 117. Commuter Allowance; 118. Token Allowance; 119. Local Transport Allowance; 120. House to Office; 121. Motor Vehicle Allowance; 122. Non-use of official car; 123. Mileage Allowance; 124. Transport Allowance; 125. Taxi Allowance; 126. Official Transport Allowance; 127. Bicycle Allowance; 128. Car Allowance/Bus fare Allowance; 129. Non-designated Drivers Allowance; 130. Driving Allowance; 131. Car Maintenance Allowance; 132. Car Running Allowance; 133. Fuel Allowance; 134. Parking Allowance; 135. Commuter Motor Mileage Allowance; XV. Baggage and Related Allowance; 136. Transfer Allowance; 137. Disturbance Allowance while on Transfer; 138. Special Accommodation;

139. Baggage Allowance; 140. Shipment Allowance; 141. Passage Allowance; 142. Resettling Allowance; 143. Settling/Disengagement Allowance; 144. Goods Allowance; XVI. Committee Meetings/Special Assignments and Related Allowances; 145. Honoraria; 146. Honorarium; 147. Monthly Honoraria; 148. Wage Allowance; 149. Committee Allowance; 150. Sitting Allowance; 151. Secretarial Duties Allowance; 152. Taskforce Allowance; 153. Retreat Allowance; 154. Resource Persons Allowance; 155. Participation Allowance; XVII. Shift related Allowances; 156. Shift Allowance; 157. Third Shift Allowance;

158. Repeated Third Shift Allowance; 159. Night Shift Allowance; 160. Shift Differential Allowance; XVIII. Study/Training Related Allowances; 161. Trainers Allowance; 162. Trainee Allowance; 163. Training Allowance; 164. Training Centre Allowance; 165. Instructors Allowance; 166. Project Allowance; 167. Research Allowance; 168. Book Allowance/Journal/Computer; 169. Dissertation/Thesis Allowance; 170. Library Allowance; 171. Part time Teaching Allowance; 172. On Job Training Allowance; 173. Project and Thesis Supervision and Examination Honoraria; 174. Examination Setting, Invigilation and Marking Allowance; 175. Examination Security Allowance;

176. Exam Coordination Allowance; 177. Exam Timetabling Allowance; 178. Supervision of Graduate Students Allowance; 179. Campus Coordinators Allowance; 180. Rating Allowance for Air traffic Control Officers; 181. Rating Allowance for Air worthiness inspectors; 182. Rating Allowance for Flight Operations Inspectors; XIX. Staff Welfare and related Allowances; 183. Funeral Allowance; 184. Burial Allowance; 185. Death in Service; 186. Last- Expense Allowance; 187. Disability Guide Allowance; 188. Readers Allowance; XX. Job/Work Environment Related Allowance; 189. Flying Allowance; 190. Pilotage Allowance; 191. Pilot Allowance; 192. Aviation Allowance; 193. Aviation Support Allowance; 194. Cabin Crew Allowance; 195. Aircraft Engineering Allowance; 196. Police Aircraft Technical Allowance;

197. Vessel Movement Allowance; 198. Coxswain Allowance; 199. Marine Allowance; 200. Prosecutorial Allowance; 201. State Counsel Allowance; 202. Draft Survey Fees Allowance; 203. Newsroom Allowance; 204. News Reading Allowance; 205. Police and Prison Services Allowance; 206. Academic/Professorial Allowance; 207. Clinical Allowance; 208. Diving Allowance; 209. Film Examiners Allowance; 210. Cash Handling Allowance; 211. Broadband Allowance; 212. NGAO Field Allowance; XXI. Motivation and Related Allowances; 213. Direct Service Provision Allowance; 214. Motivation Allowance; 215. Private Wing Executive Committee Allowance; 216. Private Wing Administrative Committee Allowance; 217. Huduma Allowance; Other Allowances; (a) Stand alone;

218. Appointment Allowance; 219. Foreign Services Allowance; 220. Interview Allowance; 221. MUEREC Allowance (Maseno University Ethics Review Committee); 222. IREC Allowance (MTRH Institutional Research & Ethics Committee); 223. Remunerative Allowance; 224. Services Allowance; 225. Games Allowance; 226. Sports Allowance; 227. Witness Allowance; 228. Inmates Allowance; 229. Headship/Directorship Allowance; 230. Temporary Staff Allowance; 231. Council Secretariat Allowance; 232. Mortuary Allowance;

233. Management Allowance; 234. Memorial Allowance; 235. Ministerial Allowance; 236. Tender Allowance; 238. Special Legal Allowance; 239. Chancellor Allowance; 240. Personal Assistance Allowance; 241. National Assembly Attendance Allowance; 242. Operators Allowance; 243. Administrative Allowance; 244. Alimentary Allowance; 245. Top-Up Allowance; 246. Governor and Deputy Governor Allowance;

CHAPTER 12

8 TRILLIONS MISSING, AND COUNTING

When the Jubilee government came into office in 2013 they found an accounting system that was locked up from political machinations. True, it was possible to steal money from the system but it needed too much time, too much planning, and too much brains. Outright grand theft had been brought to a low not witnessed for four decades. But the leaders of Jubilee took one look at the system and decided they didn't like it.

The principal secretaries were in charge of procurement issues in their duties as chief accounting officers in every government ministry. This is a practice observed the world over because cabinet secretaries are usually political appointees often with little knowledge on the workings of the ministries they are appointed to head.

To become a cabinet secretary in any country the first qualification needed is to be a member of the ruling political party. Other qualifications are secondary to this requirement. Therefore all cabinet secretaries are either career politicians or individuals who are politically correct.

Principal secretaries are a different kettle of fish altogether. They are usually public administrators with a subsidiary university degree, mainly in finance or accounting related fields. Most of them started their careers as district officers or management trainees right in their twenties, and proceeded to grow up with the system. They usually have critical knowledge on the workings of government and sticklers to protocols and rules. They are hard to cheat.

Under President Kibaki, an assessment was done on wastage in government departments and it was unsurprising that ministries headed by cabinet secretaries who had been career civil servants also reported the least wastage. During the Kibaki years John Michuki and Simeon Nyachae always topped the ranks of non-wastage. Both had been career civil servants at some point in their careers.

A few months after Jubilee took over, they changed this system and oversight duties on procurement issues were removed from principal secretaries and handed to cabinet secretaries. This infamous decision was made in the 11th cabinet meeting after Jubilee took power. It is therefore no wonder that the first incident of grand theft in the Devolution ministry under

Anne Waiguru was detected less than a month after this decision. The age of free-for-all had arrived.

Henceforth, a cabinet secretary could place her own procurement officers in critical areas and create a grand scheme to siphon money out of public coffers without worries of going through the rigorous system instituted before in the civil service. Principal secretaries and their under-secretaries could be bypassed. The unilateral decisions of cabinet secretaries meant that even departmental directors would read about the monies that were used in their own department in newspapers.

When everything had been looted dry, more money could be borrowed for the looting to continue. Within six years we would earn the unenviable distinction as the most indebted people in Africa, per capita. In 50 years, Kenya accumulated debts of only Sh1.8 trillion. Jubilee pushed this figure to almost Sh7 trillion in just six years. At the same time, they could not account for over Sh8 trillion shillings missing in the same period. That means all the loans they took might have been stolen, plus trillions more from tax money.

If you wonder why Kenya has the some of the highest number of different taxes in the world, wonder no more. In the bottomless pit that Jubilee has created in our kitty, there is need even to tax loss-making businesses. This scheme has already been crafted in the minimum and installment tax regime.

Jubilee's procurement shenanigans made it possible for spectacular criminal enterprises to thrive within government that would have been unthinkable just one year earlier. At the beginning of 2014, for instance, it was possible for crooks at the Ministry of Health to commit Sh63 billions of our money into a theft scheme without anyone raising a finger. They executed a plan that forced counties to lease medical equipment at an inflated cost of Sh200 million a year, for what should have cost Sh31 million.

The results of their exploits would erupt more than six years later, as some counties continue to pay for machines they have never used because they could either not install them, do not have electricity to run them, do not know how to operate them or do not have the space to place them — in a scandal that has left in its wake cheated taxpayers and county bosses scratching their heads. But that was just the tip of the iceberg.

At the end of 2019, according to the government's own Auditor-General, over 6.7 trillion shillings could not be accounted for since Jubilee government came to power in 2013. But I counted and the number of missing shillings since Jubilee took power is actually 8 trillion! I advise the reader to note that I have not used an exclamation mark anywhere else so far in this book.

So how much else could we have done with the Sh8 trillion that is missing in seven years? I engaged an economist and he informed me that Sh8 trillion is enough to provide free water, free electricity, free schooling up to secondary school level and free maternal healthcare for all Kenyans for a decade! I advise the reader to note that this is the second time I am using an exclamation mark in this book.

I have listed below all the money stolen by amounts, places from where it was stolen and the year it was stolen.

MONEY STOLEN IN 2019

Sh4 billion stolen in medical equipment scam at Ministry of Health. Sh5.6 billion stolen at NSSF 3. Sh10 million stolen from Metropolis Corridor account. Sh2.3 billion stolen from NCPB from fertilizer sales. Sh1 billion stolen from KRA accounts. Sh2.6 billion stolen from Communication Authority of Kenya. Sh3.9 billion stolen from Uwezo Fund. Sh3.4 billion stolen from relief food scam. Sh9.2 billion stolen in contaminated maize scam. Sh5 billion – Authorities chalks up Sh5 billion losses in maize sale. Sh5.6 billion stolen from NHIF in a medical scam. Hh208 million youth chicken hatchers scam

Sh823 billion loans taken by parastatals that cannot be accounted for. Sh60 billion stolen by county governments in inflated pending bills. Sh150 billion stolen by energy cartels. Sh67 billion stolen from pensioners. Sh11 billion stolen in livestock scam. Sh3 billion invoices for no work done for SGR. Sh18 million for a single swimming pool in Embakasi. Sh1.8 billion stolen in ferries scam. Sh54 million stolen from NYS. Sh188 million unexplained expenditure at the AGs office. Sh394 million stolen at State Regulation Workplace. Sh17 billion for the Chinese over aborted JKIA deal. Sh40 billion stolen in terminal scam.

Sh19 billion stolen from Irrigation Board in dam scandal. Sh63 billion stolen as Kenyans are duped within the medical scheme mission. Sh10 billion amount Treasury CS caught up in suspicious county expenditure. Sh51 million: Mungatana amongst 21 arrested over Kilifi County's Sh51m theft. Sh3.4 billion: Kilifi spent Sh3.4b on unlawful belongings: Auditor Basic. Sh1 billion: Auditor Common flags Sh1 billion funds by prisons. Sh20 billion: Sonko administration's irregular Sh20bn deals. Sh1.4 billion: How Chinese firm walked away with Sh1.4b without breaking a sweat. Sh1.5 billion: Hearth leaves Migori without Sh1.5bn receipts.

Sh5.6 billion: DCI probes Sh5.6 billion eCitizen Scandal. Sh5 billion: Crisis as Sh5 billion jet fuel vanishes into thin air. Sh3.4 billion: MPs want probe into Sh3.4bn Somalia wall Scandal. Sh8 billion: Loiyangalani–Suswa High Voltage Power Line Scandal. Sh4 billion: EACC probes PSs over Sh4.8bn Kenya Prisons’ tenders. Sh300 billion: Kenyans to pay Sh300m more for ferry ‘stuck in Turkey’. Sh21 billion: Kerio Valley Development Authority Dams Scandal. Sh20 billion: Ministry’s Sh20bn can’t be tracked for FY2017/2018. Sh10 billion: Over Sh10 billion lost in new NHIF pay scandal.

Sh10 billion: Ministry on the spot over plans to import ageing Spanish trains. Sh15 billion: Italian contractor leaves with Kenya’s Sh15 billion Itare Dam deposit. Sh2 billion: Looting in Samburu County. Sh100 million: National Oil suspends staff over Sh100 million ‘lost’ fuel. Sh300 million: Technical University of Mombasa TVs and Emoluments Scam. Sh4.5 billion: Kenya Power bogus transformers case. Sh15 billion: Storm over Joho firm’s lucrative SGR bulk cargo deal. Sh6 billion: Sh6bn meat factory scandal returns to haunt Kenyan taxpayers. Sh200 billion: Nairobi waste scandal: Company worked ‘29 hours’ in a day. Sh14 billion KETRACO scandal: Taxpayers could have lost Ksh. 14B in land compensation. Sh1 Billion: EACC probing Mombasa County Sh1bn garbage tender scandal. Sh81 Billion: Transparency subject roars as Sh81bn unaccounted for. Sh10 Billion: Anti-graft company probes Sh10bn books scandal.

MONEY STOLEN IN 2018

Sh4.2 trillion – Shocking numbers in the plunder of a nation. No gain: 14 State firms that have lost Sh14 billion. Shs2 billion: NHIF may have lost Sh2bn in questionable payments: Haji. Shs1 billion: Riddle of Sh1bn ‘spilt’ fuel at Kenya Pipeline that you might have to pay for. Sh1.3 billion: Three EPZ Authority managers suspended over Sh1.3bn scandal. Sh1 billion: How millions of shilling have been stolen in SGR tickets scandal. Sh30 billion: Sh30 billion missing in six counties.

Sh4 billion: Drought agency fails to account for Sh4 billion. Sh18 billion: Auditor general queries KRA’s Sh18b duty stamp tender. Sh2.5 billion: Sh2.5bn government advertising agency scandal. Awaiting to Happen: Affordable homes get Sh21 billion in budget reorganization. Sh18 billion: KPC on the spot over Sh18 billion compensation claim. Sh200 million: Chemelil bosses embezzled over Sh200m, says Auditor General. Sh6 billion tenders scandal rocks prisons. Sh2.1 billion fertilizer funds lost at cereals

board, audit shows. Sh16.3 Billion: Audit raises eyebrows on Sh16.3 billion for tablets. Sh3 Billion: DCI to probe Sh3bn cooking gas contracts.

Sh7.3 Billion: Multi-billion Galana churns out Sh35m maize in a year. Sh30 Billion: Parastatals in Sh30bn shady debts. Sh2.5Billion: Taxpayers set to lose Sh2.5bn on stalled job. Sh1.3 Billion: KBC on the spot for paying lawyers Sh1.3 billion in fees. Sh2.3 Billion: Kenyan envoys pay billions in rent as houses rot in London, US. Ksh1.7 Billion: New KCC fails to account for Sh1.7 billion. Sh4 Billion: Auditor-general puts women reps on the spot over missing Sh4 billion. Sh9 Billion: Contractors stall Sh9bn roads after payment. Sh3 Billion: Ouko raises red flag over Sh3 billion bullet factory assets. Sh2.7 billion secret Uhuru, Ruto budget revealed.

Sh1.2Billion: EACC probes Sh1.2b payout to one man. Sh700Million: Laikipia contractors file Sh700m fake claims. Sh26 Million: Clerk paid wife Sh26 million for supplying nothing. Sh159 million: Kenya Power issued tenders illegally, court told. Sh2.5 billion EACC freezes Obado accounts over graft. Sh3 billion: NCPB on the spot over Sh3bn infected maize in its silos. Sh8 billion: NCPB at risk of losing Sh8bn maize stocks. Sh1.8Billion: KFS fails to account for Sh1.8 billion. Sh9.2 billion: IEBC cannot account for Sh9.2bn expenditure.

Sh8.7m down the drain in Kwale tree planting bid. Sh2.7 billion: MPs order audit into Sh2.7 billion goods loss. Sh11.3 billion: Details of Sh11.3bn scandal at cereals board. Sh438m secret account at Foreign Affairs: Ouko. Sh1.7 billion: Audit reveals Sh1.7bn Sports ministry scam. Sh100 billion: Tax evasion racket loots Sh100b in six months. Sh435 million: Weighbridges firm paid extra Sh435m, says audit. Sh1.5 billion: Integrity Centre deal costs taxpayers Sh1.5bn. Kenya loses Sh34 billion annually to adulterated fuel.

Sh600 million: Official in Sh600m wealth probe was interdicted in 2016 – KRA. Sh10 billion: Varsities on the spot over unremitted staff deductions. Sh70 billion: 20 MPs Fly to Russia for World Cup 2018. Sh200 million The looting of Kenya under President Moi. Sh215 billion: Audit: Sh215b Eurobond cash unaccounted for. Sh12 billion: Mystery of Sh1b monthly bill taxpayer gives firm to run SGR. Sh4 billion: How taxpayers lost more than Sh4 billion in SGR land deals. Sh42 million: Sh42 million lost in youth event that never was. Sh1.4 billion: Kibicho blames Foreign ministry for theft of Sh1.4bn travel papers. Sh8 billion: Ministry of Health on the spot over acquisition of CT scanners. Sh13.7 billion: Auditor-General queries Sh13.7bn expenditure as House committee summons Health PS.

Sh2.5 billion: MPs put Lesiyampe to task over Sh2.5bn subsidised fertilizer. Sh814 million: MPs to quiz Gladys Shollei over Turkana law courts. Sh32 million: Ouko queries Sh32m paid for stalled Wajir sewer project. Sh2.3 billion: Probe on 2016 police chopper crash not complete. Sh3.9 billion: IT expert accused of KRA hack, theft of Sh3.9 billion. Sh 7 billion: Shocking Errors in Sh7Billion Textbooks. Sh 352 million: Audit queries Kemsas purchase of Sh352 million expired drugs. Sh800 million: Taxpayers lost Sh800 million in unaccounted for expenditures.

Sh4.6 billion: KRA irregularly awarded Sh4.6 billion tender-Ouko. Sh8.1 billion: Power consumers to pay Sh8.1bn backdated bills. Sh100 billion: Devolution ministry fails to account for Sh100 billion

MONEY STOLEN IN 2017

Sh5.7 billion Turkana Wind fine now in budget. Sh608 billion of Kenya budget lost to corruption every year – EACC chairman Kinisu. Sh100 billion: Tax cartels in KRA cost Sh100 billion revenue. Sh150 billion: Charter House Bank: A Money Laundering Machine. Sh2 billion: Pattni firm claims Sh2bn from CBK over Grand Regency. Sh1.4 billion: Treasury's Sh1.4bn Anglo Leasing settlement clears the way for Eurobond. Sh5 billion: Atwoli alleges Sh5bn NSSF scam. Sh1 billion: Kisumu governor suspends six over Sh1bn graft claims. Sh70 million: Sacco officials face prosecution over Sh70m scandal. Sh100 billion: Revenues behind target by close to Sh100 billion.

Sh8.4 million: Former tourism officials to serve 7 years for fraud. Sh4.2 billion: Audit reveals Sh4.2b fraud at Education ministry. Sh283 million: Majiwa charged with Sh283m cemetery fraud. Sh7.6 billion: KPC's exposure in Triton scam drops to Sh6bn. Sh60 billion: Treasury sets aside Sh6bn for Anglo Leasing payments. Sh4.3 billion: KAA can't trace Sh4.3bn pay to Chinese firm for terminal. Sh100 million Hustler Jet Scandal.

Sh9 billion NYS scandal claims first casualties. Sh172 Million Scandal: Sh172m hatchery spending lands Fund in trouble. Sh4.7 billion: health data technology in limbo. Sh1 billion: Scandal Muraguri on the spot over Sh1 billion portable clinics. Sh2.7 billion: Health ministry fails to account for Sh2.7bn spending. Sh11 billion: Edward Ouko uncovers Sh11 billion hole at Health ministry

MONEY STOLEN IN 2013 AND 2016

Sh7.6 billion: Treasury budgets to spend Sh7.6bn on IFMIS upgrade. Sh953 million: How Sh953 million scandal turned Turkana food security project into a pipe dream. Sh1.6 billion: Nearly half Kenya's banks handled NYS Sh1.6bn dirty cash. Sh5 billion Revealed: Taxpayers lose Sh5bn in NYS-style Afya House theft. Sh54 million Kinisu got NYS cash while still EACC chief, House team told. Sh2 billion: EACC raises funds stolen in NYS scam to Sh2bn. Sh1.8 billion: MPs question ability of State IT payment system to curb theft. Sh86 billion: Kamanis 'were to pocket Sh86bn' in Anglo Leasing.

Sh246 million: EACC boss admits another Sh246m payment. Sh1.5 billion: Ouko reveals theft of Sh1.5bn visas in Kenyan embassies. Sh791 million: NYS Sh791m theft started two days after budget allocation, witness testifies. Sh180 million: How Sh180m Youth Fund loot was spent. Sh200 million: How athletics chiefs took millions given by Nike to help poor runners. Sh520 million: Jersey officials seize Gichuru, Okemo's hidden Sh520m. Sh34 billion: How Imperial Bank chief stole savers' billions. Sh56 billion: Sh56 billion upgrade project at JKIA killed. Sh28 billion: House team orders audit of Moi referral hospital tender. Sh1.7 billion: House calls for probe into GDC's Sh1.7bn deal.

Sh2.8 billion: How Harambee House gang stole Sh2.8bn from taxpayers. Sh0.7 million: Wasanga named in Sh0.7m annual kickback scheme. Sh 24.6 billion: Primary School Laptops Scandal

CHAPTER 13 IT HAS BEEN DONE BEFORE IN KENYA

Things have not always been this way. During the presidencies of both Jomo Kenyatta and Mwai Kibaki there were flashes of brilliance on the economic front that held the world in a thrall. It also happened in the early years of Daniel arap Moi. In spite of all the theft, incompetence and corruption, there is a reason why Kenya managed to become Africa's largest non-mineral or non-oil economy.

It all boils down to money. Specifically, enhancing the people's level of financial independence. I do not mean that Jomo Kenyatta and Mwai Kibaki really made the people financially independent. But at least they tried in some areas, even though they, especially Jomo Kenyatta, neglected large swathes of Kenya through widespread nepotism and tribalism in the guise of

implementing an economic blueprint authored by Mwai Kibaki and Tom Mboya in 1965.

Some of the key principles of early economic successes of Kenya, especially in central Kenya, were borrowed by some businessmen and executed with resounding success. These successes offer some profound lessons on money and wealth not just for individuals, but also for a community and by extension the national economy.

When Titus Muya, the founder of Family Bank, hired me and Peter Muchai to become his official biographers I wanted to learn how one man did it against the overwhelming odds stacked against him. Titus Muya, a native of Githunguri in Kiambu, was working as an immigration officer when he started the building society that would become a commercial bank in 1984. He had no banking or financial training or experience whatsoever. A big dream can be inspired by the little hints and the small things a boy encounters in an impoverished and remote village.

Gitati is an old and colloquial Kikuyu word used mainly for economic production. In a gitati, people come together for the sole purpose of working or making money. Social, religious and political themes or ideas are totally excluded from gitati, and they can only be hijacked in the areas where they can be used for the sole purpose of making money. In the modern sense, a gitati is a cooperative movement. It is the single most important reason why at independence in 1963 the communities of central Kenya were ahead of their counterparts in other parts of Kenya in economic terms.

The cooperative idea is not unique to the Kikuyu. Every society on Earth had; and still have them. The only difference is that some communities were better at exploiting this idea because of the implicit outcomes they attached to the idea. In economic terms, the entire human race can be called a cooperative unit. Working together for the benefit of the entire unit is the single most important reason why the human species survived in areas so many animals could not survive, ensuring that as a unit we evolved towards a more progressive destiny than other animals with whom we share almost identical genetic material.

Almost all the wealth of the world that we know was created using this model, namely cooperating for the purpose of generating or sharing wealth. In the modern economy new money is mainly created through the banking system. At the core, the banking system itself is a cooperative unit and its major difference from the classic definition of cooperative societies is that it is privately owned and controlled. Of course there are many other differences,

but the cornerstone idea and the very foundation of the concept of banking and cooperatives as we know them are identical.

Back to Kiambu town in 1984, Titus Muya had just started the first branch of Family Finance Building Society in the town. It was to become the first branch of the commercial bank as we know it today. Although it was a building society, the aim was to offer banking services because they could not get a license for a commercial bank.

Titus Muya recalled to me meeting an elderly MP he much respected in the streets of Kiambu days after he started his first branch. The MP asked the younger Muya why he was starting a bank at a time when over 90% of the many banks that had been started in the last decade had collapsed. The elderly MP even advised Muya to forget about this banking business because the bank would surely fall just like the others.

This unsolicited advice was based on solid economic and political truths prevailing at the time. In the very year that Muya was starting his bank, four others had just gone under. Others who fought tooth and nail to survive were forced to consolidate under the watchful eye and partial ownership of the state to form what is known as Consolidated Bank today. Things got so bad that the surviving small banks formed a cartel and started a system called cheque kitting.

Cheque kitting was a scheme where small banks cushioned each other with artificial liquidity. Whenever inspectors from the Central Bank came to one bank the others could write cheques to the bank being inspected to artificially make it liquid. This also raised the grave risk in the event when the bank being inspected was closed by the government, as it sometimes happened. This means that some banks sunk with monies owed to other banks, which exposed every player in the cheque kitting system. Many banks went bankrupt and others suffered untold losses in this system and the survivors abandoned it.

Operating in a political system that actively acted to sink new banks meant the owners of small banks had to look elsewhere to protect themselves against adverse liquidity. Many took their money into the insurance sector, which offered more stable source of instant liquidity than the cheque kitting system. But later the government of Daniel arap Moi came after them too, making laws that prohibited financial institutions from investing in the insurance industry.

The few survivors who were left took cover in the real estate sector, which offered the potential of both the liquidity they craved and a rugged playing field where it was difficult for Daniel arap Moi to track and shoot them down.

This explains why the people who control the banking and insurance sectors in Kenya today also control some of the biggest stakes in the real estate sector.

The mid-1980s were tumultuous times for the financial sector in Kenya. The 1982 coup had changed the world view of President Moi and many important government decisions were made out of paranoia and not through reason. In Moi's tribal mind, the coup had been a Kikuyu and Luo plot. Therefore the areas where the two tribes, especially the Kikuyu, dominated were to be monitored with suspicion. One of those areas was the banking sector. The proliferation of new small banks greatly alarmed Moi because he viewed them, mainly, as a symbol of Kikuyu supremacy.

When it came to shooting down commercial interests, Daniel arap Moi was a marksman. There were 35 building societies that were offering banking services in Kenya in 1984. Out of these, only three survived. The East African Building Society successfully launched Eco Bank while the other two became Equity and Family banks, respectively. How three building societies survived this barrage is a story that needs to be told because they used a path that the Kenyan society itself had trod upon for eons.

Although Muya had a few successful commercial concerns, including a commercial building at Lavington and a wholesale shop in Limuru town, these were too tiny to provide liquidity to start a bank. He took a loan from Thabiti Finance, an institution associated with Dalmas Otieno, to start his own bank. Thabiti Finance itself would fail only after a few years. So why did Thabiti Finance, a big lender, fail and Family Finance, a small startup, succeeded?

While Thabiti Finance followed the text-book model of a financial institution, Family Finance followed the old gitati African way of doing things. Muya quit his immigration job in the city and appointed himself his bank's first manager, then traversed the villages rounding up tea and coffee farmers. He then scheduled meetings where he could speak to them in groups, usually at market centres or the grounds of their coffee factories. In places where everyone was a Kikuyu, he used the Gikuyu language.

This was his promise: None of you will ever have to worry about the school fees of his children, urgent cash to pay for hospital bills or some money to start a business. He made them a deal. He promised that he would write a cheque to clear school fees balances of anyone who came to him. You did not need to have money or even any assets. He would also pay any hospital that required money from anyone who agreed to work with him. He would also give them money for starting small businesses without collateral.

He promised to give them money within hours of visiting his banking hall at Kiambu town.

The villagers of Kiambu had never heard of such a deal before. Their only obligation was to belong to a coffee or tea cooperative society. As long as the cooperative could guarantee the monies, Muya would dish it out without questions. In return, the recipient would be required to open an account with the building society at Kiambu town. This ensured that the accounts of the farmers' cooperatives and their accounts at the bank were tied, meaning the bank could earn from both the loans and also transaction incomes of the said accounts.

At the same time, Equity Finance, founded by Peter Munga, was experimenting with the same model in Murang'a county, starting with the Kangema area. The founders of the banks anticipated to borrow more loans from the more established outfits in the city because they thought farmers would be coming for more money. To their surprise, most people instead came to make deposits. As Family Finance established new branches in Limuru, Githunguri and Gatundu, Equity Finance was establishing theirs at Kangema, Kiriaini and Karatina.

Smalltime businessmen had stumbled upon a financial holy grail of stupendous proportions. Their success is proof that when you put money in the hands of the poor, they reward you in kind. It was these small financial outfits that turned smalltime village shopkeepers into city supermarket owners and backyard carpenters into city real estate developers. This experiment had been tried before right here in Kenya with equally astounding success.

The modern African economy of Kenya as we know it today was born in the early 1950s. The events that followed the formation of the Mau Mau were the first known spurs of development that catapulted Africans into mainstream economy on considerably wide scale.

The first meeting that led to the formal establishment of the Kenya Land Freedom Army, popularly known as the Mau Mau, was held in the Majengo area of Nairobi in 1947 by demobilized soldiers who had served in the Second World War. The exact spot where this meeting was held was right on the spot where Gikomba market stands today.

My grandfather Gikunju Waciuma narrated to me the events of this meeting. He had served as a private for the King's African Rifles in Burma (Myanmar) but when he came back home he was employed as a police corporal because him, alongside the soon-be-be famous Kimathi Waciuri, had

some modest education. Kimathi had been encouraged to become a teacher. My grandfather had been sent to spy on this clandestine meeting but ended up defecting after he found his younger brother Kassam Njogu in the meeting.

Both would end up joining the Mau Mau. Interestingly, it was Kassam Njogu, with no military background, who ended up distinguishing himself as the real radical after he volunteered to lead a daring mission to steal rifles from two white homes and kill four police officers in the Limuru area. He was also put in charge of the oathing programmes, the contents of which he narrated to me in graphic detail as an old man. It was also in this meeting that he heard about Kimathi Waciuri, a fearless hero from Nyeri, who would become the leader of the Kenya Land Freedom Army.

Although it was the assassination of Chief Waruhiu Kung'u that is famous because of the consequences that followed, at no time did the Mau Mau high command discuss his assassination. In fact there is no evidence that Chief Waruhiu was killed by the Mau Mau. Waruhiu had plenty of enemies and political rivals, including other powerful chiefs of the time like Chief Njonjo and Chief Koinange. Although they had earlier joined hands to overthrow the older chiefs and gain power, Njonjo and Koinange were envious of Waruhiu. Chief Waruhiu's father had emigrated from Gatanga in Murang'a and settled in Kiambu, where he married a Kiambu woman who gave birth to Waruhiu. He didn't really belong.

The Kiambu mob were not happy when Waruhiu eclipsed them all to earn three chieftaincy titles, including the coveted senior chief title, and was the only man in Kenya to hold all of them at the time. A ruthless tactician who had edged out his own uncle from chieftaincy in order to take over and engineered the downfall of his maternal cousin Harry Thuku, Waruhiu had many enemies.

Koinange, especially, had both the motive and the wherewithal to inspire such a complex – at least by the time's standards – assassination plan. Chief Koinange was the wealthiest chief in Kiambu and had a fleet of cars and together with his militant sons they were known to stockpile weapons. The Koinanges were anything but peace-loving folks.

There is also a long and tangled story about land dealings with the people of Gachie who had been dealt the short end of the stick by a mob that supported Chief Waruhiu. The fact that Waruhiu was killed when being driven from this area also points to the involvement of these dissatisfied parties. It has never been conclusively established whether it was Mau Mau remnants, land dealers or the Koinanges who killed Chief Waruhiu. But the fact was that

his violent death changed the history of Kenya and its economic fortunes forever.

The Koinanges were also related to Jomo Kenyatta by marriage. Kenyatta was enamored to these powerful chiefs, condemning Mau Mau when he was in their presence. But it is a matter of public record that Kenyatta only condemned Mau Mau when in the presence of these powerful Kiambu chiefs and not in other parts of Kenya. He is on record for instance in Meru giving fiery speeches where he called for an outright armed struggle while he taunted the white district commissioner. Some Mau Mau fighters believed Kenyatta was actually their supreme leader.

As far as the chiefs went, the one who headed the Mau Mau hit list was Chief Nderi Wang'ombe of Nyeri, a notorious double-agent who also spoke the Maa language fluently because he was half Maasai. The Maasai themselves had planned to kill him but it was General Kimathi who would have the satisfaction of supervising his execution.

The fight to bring Africans into mainstream economy, according to Mau Mau plans, would be fought on two fronts – through politics where necessary and through violence by all means. It was in this meeting that it was agreed that the Mau Mau would support the ascendance of one of their own within the ranks of Kenya African Union (KAU). Their target was Nairobi branch and the young radical Fred Kubai, who was both learned and had a military background, fitted the bill. Moderate politicians like Vice Chairman Tom Mbotela and Treasurer Ambrose Ofafa also needed to be chucked out of KAU for the Mau Mau men to feel comfortable operating in the political field.

The story of what happened after these events is well known. The assassination of Chief Waruhiu Kung'u led to the declaration of the State of Emergency of 1952 and, subsequently, people of Kikuyu, Meru and Embu communities were herded into concentration camps.

The British colonialists needed roads to move troops and equipment at short notice in the ancestral lands of the said communities and from 1952 started an aggressive road-building programme in the Mount Kenya region. The roads were meant to suppress the Kikuyu but they turned out to be a blessing in disguise. At this time Kikuyu men were not recruited in the military (in favour of mostly Kamba men) or the police service (in favour of Kalenjin men) or in industrial pursuits like the railways (in favour of Luhya and Luo men).

Therefore the people of Mount Kenya turned to the only avenue that was open for them: commerce. They also now had better roads than anyone else

and every area of the Mount Kenya region was connected with dirt or murrum roads. This spur of development ensured that these were the first areas where the old African concept of *gitati* was converted into modern cooperative societies, which was also helped the commencement of the land adjudication programme in the area. As a result, men from these areas started coming to Nairobi not to work for the railways or to become policemen, but to trade and invest.

The first African investments in the big cities of Kenya started in this manner. Jaramogi Oginga Odinga had also tried the same method in Kisumu in the 1940s, as he explained in his book *Not Yet Uhuru*, but with limited success.

The cooperative idea was institutionalized in government soon after independence when Cooperative Bank of Kenya was started in 1965. It was never meant to be an ordinary commercial bank. It was conceived as a super bank for cooperators. Even a family of 7 people could join up and register themselves as a cooperative unit and go for money at Cooperative Bank.

The war for emancipating the African in the 1960s was fought on three fronts. First, empower and give people capital through cooperatives. The second one was the Africanisation process and the third was the establishment of the Industrial and Commercial Development Corporation (ICDC). The cooperative front was to be led by Jason Kimbui, the Africanisation process by Dr Gikonyo Kiano and the ICDC was to be led by Matu Wamae. Incidentally, I became the official biographer of all the three gentlemen.

Great amount of wealth was created in the areas that these three men focused their programmes upon. But it also left a sour taste in the mouths of majority of Kenyans. Some Kikuyu men felt that it was them who fought for independence therefore they deserved the biggest pie. This notion is both untruthful and pathetic. Pure tribalism played a big role in how Jomo Kenyatta's government shared Kenya's wealth.

It is inconceivable to think that Jomo Kenyatta himself would have been released from prison while he was still healthy without the spirited fight Jaramogi put up on his behalf; while many of Kenyatta's own fellow tribesmen, especially in Parliament (then called LegCo) had already given up on him. To suggest that only Kikuyu men fought in the Mau Mau is also erroneous. One of the biggest benefactors of Mau Mau was Ali Aden Lord, a Somali man born in the Eastleigh area in 1915. He did more to assist the Mau Mau in kind than most Kikuyu men could have done. Paul Ngei, a Kamba,

mobilized both resources and men from his native Kangundo to serve the Mau Mau too. There are many other examples from many areas of Kenya.

Back in the 1950s, while the good road network helped the fight against the Mau Mau and also spurred commerce, the results were complicated. The roads brought prosperity to individuals who would have otherwise been happy to fight in the Mau Mau. Rich people don't fight in wars. This is one of the reasons why Mau Mau largely became a Kikuyu war, brother fighting against brother. Many in the new mercantile Kikuyu class enlisted with the Home Guards while others abandoned their earlier radical views against the colonialists.

One notable example was Harry Thuku, a former pro-liberation firebrand who abandoned his calling as soon as he realized he could make loads of money in the new growing economy of central Kenya.

Following the events that happened after the 1982 coup, Kenyans would wait for another two decades to witness another explosion of new wealth. In the final analysis, the parallels between the economic thinking of Jomo Kenyatta and Mwai Kibaki on one hand, and Daniel arap Moi and Uhuru Kenyatta on the other, are markedly different.

Although he chalked his own spectacular economic sins, Jomo Kenyatta was not a control freak like his successor Daniel arap Moi or even his son Uhuru Kenyatta. Take the coffee boom of the 1970s, for instance. The frostbite event in Brazil made Kenyan coffee fetch its weight in gold in the market. Kenyans started smuggling inferior coffee from Uganda and Ethiopia to pass it as Kenyan coffee at Mombasa and make a financial fortune. Videos have been shared showing Jomo Kenyatta speaking in parables asking Kenyans to smuggle as much coffee as possible and make money for themselves in the process, though he warned in similar parables that they should make sure not to be caught.

Armchair theorists have argued about the moral standpoint of such presidential proclamations. But that is what every successful country made its wealth – mainly by tossing those moral platitudes out of the window and allowing their people to make money any way they could as long as they were not engaging in extreme acts such as burning villages and raping women.

America itself is a beneficiary of such financial shenanigans. Americans love aiming their moral missiles to countries that offer tax havens like Mauritius and the Cayman Islands. Yet doesn't the hedge fund system also serve the very same purposes by sucking up huge amounts of money out of

the regulatory auspices of the formal banking sector? Wasn't the hedge fund system created for the wealthy just like the tax havens of the Cayman Islands?

Like the banking, insurance and stock exchange (or stock securities) ideas, the hedge fund system was also incubated in the womb of the cooperative idea that has always driven mankind's financial progress. Thanks to systems like this, China produces more tangible economic output than America but it will not catch up with America soon because Americans have discovered a way of making stupendous amounts of wealth from thin air.

I posit that it is stupid for a person, or a country for that matter, to waste time on too much back-breaking labour when easier and faster options of creating wealth are available. Rules and fickle laws that stand on the way of economic progress need to be broken so that the drafters of such rules can see the advantages of changing them. Poor people or poor countries need, as a matter of priority, to examine the rules the wealthy do not subscribe upon themselves – then discard them too.

Such can-do and bullish attitude is what inspires confidence in an economy. Americans are very good at establishing companies and then sitting back to decide what their companies are worth. You will find a company with zero assets or tangle production being valued by the millions of dollars because the fellows who moved it felt it is worth that much. The figure is usually pulled from the air just like that. Next you will hear it has been taken to the stock exchange, followed by a merry binge of cashing in. This is not to mean that all forms of tangible production should be abandoned.

But America and other countries like the United Arab Emirates and Singapore have taught us that you can become very wealthy without corresponding tangible economic output. For the same reasons, London is the world's richest city but you wouldn't get as much money if you sold every tangible thing in London as the one who was selling Lagos, brick for brick. In economics, the size of the dog does not matter. It is the fight in the dog that matters.

In 2002 Kenya did not magically get more educated people or more natural resources from thin air. But money suddenly became available to poor people through radical reforms in the banking sector and the state's fidelity to responsible borrowing. Mwai Kibaki envisioned a future where most youths could access capital. In Uhuru Kenyatta's Kenya, youths are being told their life should consist of going to some bushy road somewhere with a slasher so that they can cut grass whole day for a miserly pay of Sh4k per month.

At the rate Kenya had picked in 2010 the country could have doubled its wealth in seven years, meaning we would have doubled the resources that we had in 2010. Currently Kenya is growing at a rate of less than 3.5% and our inflation rate is higher than that number, meaning Kenyans are actually becoming poorer, coin for coin. This does not even factor our increasing debt obligations, corruption and wastage.

Making money available to poor people has no substitute in an economy. It is also very hard for a people who have been exposed to financial independence to walk away from that path. That is why cities or countries, or indeed any form of geographical location, that are deluged with money are very hard to catch up with even in the seasons when they experience hard times. I will narrate an experience here shared by Family and Equity banks to me.

Up until 2003, Family Bank was expanding at a bigger rate than Equity Bank and appeared poised to become the dominant bank at the rate they were growing. The two banks had been in a cut-throat competition in the Nairobi and Mount Kenya region and both were opening new branches at a rate of one new branch every month. Having saturated all the towns in Kiambu, Murang'a, Nyeri, Kirinyaga and Embu counties, Meru would be the last frontier in the more affluent areas of Mount Kenya region.

But while Equity hurriedly established a branch in Meru, Family bank announced its national ambitions by going to Nakuru, Machakos and Eldoret. It was a mistake. Meru is a small town but it carried the economic punch of a giant. As it turned out, banks in Meru attracted more deposits than banks in the larger cities like Kisumu and Nakuru many times over. This was because Meru is an old bastion of cooperatives, meaning Meru had some of the most densely banked people in Kenya. The circulation of currency money in the area was very high. Shilling for shilling, ordinary people in Meru had more money than those found in the cities.

Therefore, establishing a bank in Meru before your competitors was like winning a jackpot. Small towns in Meru like Chuka, Chogoria and Nkubu sagged under the weight of cash deposits almost rivaling the busier banks in Nairobi. This realization forced the banks to heed the old truths of gitati. Meru was amongst the first places where people were introduced to capital in the form of cooperatives. The area led Kenya in 1965 and it still led almost half a century later.

Could this success be replicated? Suppose all Kenya was given the same help some pockets of Mount Kenya received from the mid-1950s through to the late 1970s?

Mwai Kibaki tried and achieved considerable success, even though his project was never finished. He did it at great political cost. Jomo Kenyatta had tried but only mostly benefitted a certain class of his own ethnic community, but it was a success nevertheless. Daniel Moi landed on the scene like an insecure housewife, ready to bring the house down at the slightest whim of suspicion that he was being scorned.

But it was Uhuru Kenyatta who had the biggest chance of making a difference because he found an economy that was already booming, an educated middle class, a healthy financial sector, superior cyber connectivity, manageable foreign and domestic debt, vibrant real estate sector, profitable agricultural environment and a youthful population that was already on its feet working.

Did he make good use of what he found? The verdict is what it is.

END OF VOLUME ONE

Chapter 14

How Jubilee Killed the Media

Uhuru Kenyatta announced the he normally uses newspapers for wrapping his meat as soon as he became president. Kenya was once the home of the two most profitable media houses in the Great Lakes region. Not anymore. Nation Media Group earned profits of Sh3.6 billion on the year Kenyatta came to power. The company's profits have steadily declined at a rate of around 20% every year since and in 2019 the profits had reached Sh800 million and the figure projected for 2020 is less than half the amount. The Standard Group, the regions second largest media house, has also plummeted from billion-shilling profits to make losses for three years since Jubilee came to power. Other media houses have been retrenching employees and a few have closed altogether since 2013.

In this chapter of Volume 2, I will delve into detail how the Jubilee administration actively undertook to destroy the media in Kenya, why they did it and how they did it. I will also explain in detail the consequences Kenyans

should expect after the project of killing the media is finally completed, especially in the areas of job losses and loss of people's freedoms.

Chapter 15

Horrors of a Militarised Government

The first time Kenyans saw Kenya Defense Forces (KDF) in action on TV was the moment soldiers looted a supermarket at Westgate mall following a terrorist attack. Next we were hearing some of them were charcoal dealers in Somalia. But Jubilee would rather have us believe that these buffoons from the barracks are what the doctor ordered for our problems.

In this chapter of Volume 2, I will expose in detail the lie propagated by Jubilee that the military is more efficient than civilian Kenya. I will also outline, blow by blow, the true horrors we will all face after the ongoing programme of militarizing the government is fully done.

OTHER CHAPTERS – 16 chapters are still on the production line and the launch of Volume 2 will be conducted in December.

TO GET A FREE COPY OF VOLUME TWO AND VOLUME THREE, EMAIL ME AT thatiah@telejumbo.com