



Kenya's Looming Resource Curse: Dancing to Machiavelli's Drum

By Miriam Abraham



The large hall was decorated with African art from the 54 Member States of the African Union. Singers and dancers from several African countries were entertaining dignitaries as they filled their plates with delicacies from the motherland. It was after all, Africa Day. The 25th day of May when we celebrate the formation of the Organization of African Unity (now African Union). And on the four screens around the large hall was the theme for this year: *'Winning the Fight Against Corruption: A Sustainable Path to Africa's Transformation.'*

What a thematic choice by the African Union, I thought to myself. I was struck by the choice of words especially beginning with the positive: 'winning'. But my optimism was short-lived as the representative of Nigeria was called up to the podium to give remarks as the "champion" of the anti-corruption theme. I quickly looked up the latest Transparency International Corruption Perception Index to see the success of President Buhari's fight against corruption, only to find that Nigeria had slipped from its 2016 ranking by 12 places to rank No. 148 out of 180 countries surveyed in 2017. Why, I wondered, didn't the organisers select champions from countries that have seen significant improvement in their index score such as Côte d'Ivoire and Senegal or Botswana that has continuously ranked top in Africa. But then again: This Is Africa.

At this rate, I was expecting the Kenyan representative to be the next in line as the co-champion,

standing at 143rd ranking on the Index! We were, fortunately, spared that particular embarrassment. As I listened to each speaker glorify African unity and deliberately evading the theme of the day, I could not stop thinking of the contradictions of our continent. We often have big aspirations that we parade but never implement – “winning the fight against corruption” being very high up on the list.

These empty aspirations were eloquently mimed by President Uhuru Kenyatta during his address to the nation on *Madaraka Day*. Like most Kenyans, I remained unmoved by his speech. Have we not seen this circus before? Did we not vet officials in the Judiciary and the Police before? Any lessons? Is this not just another game in elite self-preservation?

To be fair though, as a country, we have not outdone Saudi Arabia’s anti-corruption charade. Yet. We recall how late last year under the supervision of Crown Prince Mohammed bin Salman, hundreds of billionaires including over 50 from his own royal family were detained at the luxurious Ritz Carlton hotel, a gilded prison if ever there was one. There were claims of torture and abuse. The detainees reportedly signed off their wealth to the tune of billions in exchange for their release. In the meantime, the same Crown Prince allegedly splurged \$500m to buy a yacht and a chateau outside Paris for \$300m. It has been billed as the world’s most expensive home.

The charade by the Saudis has the feel of Kenya, albeit on a different scale. On 28 May, we watched as tens of high ranking officials were rounded up and escorted to court in top-of-the-range vehicles on charges of stealing money from the National Youth Service programme. It was a well-choreographed show; we have seen it before. Like the Saudis, we are fighting corruption for Machiavellian reasons. We all know too well the politics of our country. We hold “elections”; the coalition that “loses” cries foul. In order to govern in a polarized environment, the winning faction of the elite agrees to share the loot and, in the process, ditch a few people to give room to the new entrants. Statecraft. It is what “the men from the shadows” as John Githongo calls them in his article, *One Week in March: Was the Handshake Triggered by the IMF?*, engineer with the nod of the international community, so called, to maintain the *status quo*. To paraphrase from one of Niccolò Machiavelli’s works, one should not attempt to win by force what can be won by deception.

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One can see this art of deception playing out with the white elephants of Lamu county. Amu Power Company, a consortium that includes the Chris Kirubi-affiliated Centum Investments, has been awarded the tender to build the Lamu Coal Power Plant. In addition to the grave environmental concerns raised by community activists in Lamu, the approved Ksh 200 billion (US\$ 2 billion) project does not make financial sense.

In a detailed analysis by Tony Watima in the *Business Daily*, the project’s high fixed cost of Ksh 36.2 billion per year is raised by its capital-intensive nature. While this would have made sense if the project was meeting real demand, it turns out that the additional demand is fictitious, a product of the Jubilee government’s fantastical ambitions. While real demand will stand at 2,500 Mw by 2022, Jubilee set itself a target of securing installed capacity at 5,000 Mw. Between reality and fantasy lies

the opportunity for mischief. Thus, in the case of the Amu project, Kenyans will be paying almost solely for idle capacity. It will mean that each consumer will see an increase in their bill by Ksh 600 every month that would go directly to the Amu investors.

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Amu is billed as the most expensive fixed cost project among the power generators. An additional 1,000 Mw of power that is excess of demand - and therefore idle capacity. In other words, we are incurring US\$ 2 billion in debt to finance a white elephant. These costs do not include the potential loss of income from the fishing activities of the local community, and tourism. They also do not include the known health impacts from coal burning, the most toxic and dangerous pollutant of all fossil fuels.

If the government is serious about "winning the fight against corruption" as this year's African Union theme pledges, then it must begin by being transparent about the Lamu Coal Power Plant. It must also be transparent about how it handles the export of crude oil from Turkana, lest we quickly join the millions of Africans for whom oil and minerals only yield the proverbial resource curse.

It must also address the systemic manifestations of corruption that begin from the budget preparation process. As a former senior official in a state institution, I witnessed first-hand how numbers are padded to inflate the actual requirements for any project. Requisitions of products that were in abundance in warehouses were made. Goods not needed at all were included in the budget. Consultancy fees, costs for transportation of goods and official travel were common lines that were padded with excess fat that would be "chopped" by officials, as my Nigerian friends would say.

The best lie detectors - probably also procured through corrupt means - cannot replace the dramatic shift in culture that is required in the genuine fight against corruption. Respect for professionalism, integrity, transparency and the rule of law are the fundamental cornerstones of a "corrupt free" Kenya. These are the same principles that this government, at its highest level, has frequently and gleefully violated. Targeting mid-level officials without touching the top-ranking thieves will only be scratching the surface. It will be classic Machiavellism. Or what Muthoni Wanyeki in her recent article eloquently called a 'game of smoke and mirrors'.

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If we as the tax payers fall for the deception, we will be cheering the smokescreen magicians. We will find ourselves questioning the #STOPTheseTHIEVES protesters, wonder why they are disrupting the supplications made at the recent Prayer Breakfast. And in a few weeks, just like we have done with the theft and electoral injustice at the IEBC, we will forget these scandals. Well, until

the proceeds from the crude oil imports and the siphoning of money through the Lamu coal plant reach peak levels and “the men from the shadows”, the real rulers of the country, deliver baits on another NYS scandal that the media will gullibly headline, as the looting continues elsewhere and the elite entrench their political and financial positions.

As our African-American brethren say: Stay Woke!

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