



## PRESS STATEMENT BY THE BUSINESS COMMUNITY IN KENYA ON THE STATE OF THE COUNTRY

2<sup>ND</sup> OCTOBER, 2017 AT THE INTERCONTINENTAL HOTEL



KEPSA is the apex body of the business community in Kenya, speaking for both multinationals and micro organizations. It brings together all the associations from the different sectors of the economy to pursue an enabling business environment and create wealth and jobs for Kenya.

While many countries, particularly developing countries, are often marked by economic slowdown during election periods, Kenya's 2017 election, especially the Presidential election re-run, is turning out to be in a class of its own in terms of the damage it is doing to the economy. Already we have seen GDP growth slow down markedly to 5% in the immediate pre-election period, a trend that is expected to worsen when updated numbers taking in the election period come out. Our super-heated political rhetoric and hardline positioning by politicians, accompanied by threats of chaos and implied violence, are now a serious threat to the continued economic wellbeing of this country and, by extension, to our hopes of lifting our people out of poverty. No one wins when the economy grinds to a halt.

Tragically this is happening at a time when the economic outlook has never been better for Kenya, given its strategic geographical location within the Pacific & Indian Ocean zone, the world's fastest growing economic region, its tech savvy and relatively young population, links to the dynamism of the fast-rising global digital economy, and Kenya's demonstrated openness to all who wish to engage with it, in contrast to so many other African countries. Because of the negative impact of our current political situation on investment and spending decisions, we have already entered economic slowdown: factory shutdowns are likely to be witnessed, mounting corporate and personal debts, international conference cancellations with their direct effect on tourism and related labor intensive activities, corporate distress and increased unemployment - all these are undeniable and all-too-predictable effects of our dysfunctional politics. We cannot discount a descent into a complete economic growth standstill, or even a recession.

It is not for the business community to stop Kenyans from engaging in healthy democratic political competition; too much was sacrificed by too many for anyone to wish Kenya back to those politically repressive days, which also saw gloomy and increasingly anemic economic growth rates. The national exuberance we saw before the August 8 general election was proof of Kenyans' determination to engage fully and freely in determining their political fate, and the business community will never be party to taking away these freedoms.

But, as major stakeholders in the economy responsible for generating, alongside ordinary hardworking Kenyans, the resources used for conducting elections, and also responsible, again alongside other Kenyans, for generating the resources that our politicians are so keen to control through political office, the business community has a duty and an obligation to point out to politicians the harm their utterances and actions are doing to the economy during this Presidential re-run, and the wider damage they risk inflicting on Kenya's bid to shape, own and control its economic destiny. ***As key stakeholders in Kenya present and future, we must and we will speak out; we will not be found to have remained silent during a momentous time for our country, terrified of speaking truth to political power.***

The following is our 3-point message to politicians, and to those leading the IEBC, the Supreme Court, security agencies and other institutions critical to the success of the Presidential election re-run.

## **1. Be civil to each other, and towards Kenyans**

Robust political language and debate are one thing. But Kenyans have been subjected to vile abuse, shameful, crass utterances, hate speech directed at whole groups, be they tribal, ethnic, gender, religious or any other, wild and unsubstantiated attacks on individuals, institutions, companies and others, accompanied by threats of violent ejections and boycotts. This is primitive behaviour, unworthy of the leadership positions politicians hold. More, such behaviour risks inflaming ordinary Kenyans to contemplating and perpetrating barbaric acts towards each other, a possibility we are all too familiar with from 2007/8.

Therefore, civility among politicians is not only good manners; it is an absolute imperative to ensuring we do not slide into a state of anarchy, thereby all but guaranteeing Kenya's status as a failed state, politically, economically and socially. We are aware that some social media and other commentaries have been especially virulent in their utterances, and urge politicians not to succumb to the temptation, no matter how alluring, of orchestrating, imitating or echoing the printed sewage that some parts of social media and other commentators are busy putting out.

## **2. Let the Presidential election re-run take place**

Elections are the bedrock of our political infrastructure; to use a term much in current vogue, they are our one national "irreducible minimum". Without elections, we risk the lack of legitimacy among our political leaderships, which is not good for the body politic, nor for the economy and wellbeing of Kenyans. The Presidential election re-run is no exception.

We are aware of the disquiet among some about the willingness and ability of the IEBC to conduct a free and fair Presidential election re-run. And while concerns as identified by the Supreme Court ruling should be taken seriously, boycotts, abstaining or forcing Kenyans not to participate are not the answer or solution to this mistrust. Remember that one day those calling for boycotts could find themselves on the other side, desperately seeking legitimacy through an election.

The answer lies in our strict adherence to the issues raised in the Supreme Court's ruling. This ruling gave very specific grounds for annulment, and directed the IEBC to address the Court's concerns as it sought to organise and oversee the Presidential election re-run within 60 days. It distresses us as the business community that we Kenyans appear to have ignored this fundamental element of the Supreme Court's ruling. Therefore, and as matter of extreme urgency, we call upon IEBC's Chairman to set out very clearly the Supreme Court's grounds for annulment as the IEBC understand these to be, tell Kenyans what the IEBC is doing to address these issues, and continually update Kenyans.

### **3. Respect our independent institutions**

Independent institutions, able to dispense their mandates without fear or favour, are fundamental to our future, and we toy with them at our peril. If we can change rules at a flash using unconstitutional means, for momentary political advantage, if we destroy these institutions every time we feel they have not acted in our favour, then who will ever have faith in the sanctity of contracts, in the impartiality of all our independent institutions, in the conduct of elections? This is a slippery road upon which we seem keen to embark. We must support these institutions, which means protecting them and also nurturing them so that they grow and also live out their mandate as established in law.

We are not blind to politicians' ever-present fear that their opponents will always seek to manipulate institutions to their advantage. Therefore, as a business community we are passionate about maintaining the independence of institutions such as the IEBC and the Supreme Court, which are the two in politicians' crosshairs right now. We must let these carry out their mandates unfettered.

On their part, these institutions' leaders must demonstrate they are men and women of integrity, of strong character, of vision, filled with national pride. It is futile when these institutions' leaders seek our protection of their independence if they then turn around and abuse, by commission or omission, the powers they have. We are also painfully aware of the age-old truth that while we may wish our politicians to be angels, they are not; they will not leave these institutions alone unless those at the helm of these institutions demonstrate robust leadership.

A final word on this to our politicians: please look beyond the immediate, and consider the long-term interests of our nation for generations to come.

While it is imperative that illegal and destructive protests be prevented, and where necessary be met with the full force of the law, this must not lead to the roll-back of democratic protections, signaled by the excessive use of security forces to indiscriminately quell demonstrations, as was seen last week at the University of Nairobi. These actions

raise the stakes of the election, creating a sense of intolerance and impunity among perceived "insiders", and fuelling desperation among perceived "outsiders". On the side of the public and students, do not be used to break the law by politicians. It is you and your children that will bear the cost.

In conclusion, let us repeat and reiterate: politicians are playing with lighted matches in front of a fuel soaked political pile of logs. We cannot say this strongly enough. It is time to row back, and remember the tenets set out above. We urge all Kenyans to respect the rule of law, and to remain peaceful, to work and go on with their daily lives of building the nation while waiting for the repeat Presidential election. When elections are long gone, we will continue to need food and jobs. It takes a lifetime to build a nation and a day to destroy it. There will be no winners if Kenya turns into a failed state for those seeing this as an opportunity. Unhappily, we have examples all around us to remind us what a failed Kenya state would look like.

Kenyans love sports, are world beaters in track & field, and it is to the sports arena to which we turn in our final plea. Political contests are like sports. There is always a winner and a loser, and there are rules, with officials overseeing the application of these rules without interference from players. Often, our champions have lost, but they never quit, nor did they seek to destroy their competitors or the sporting event in question, in a blind "either I win or no one wins" quest for glory. May we compete like we do in sports that we will win or lose with grace.

**' ... Let all with one accord, In common bond united, Build this our nation together, And the glory of Kenya...'**

**God bless Kenya.**