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# **Kenya: Hard Times Ahead**



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**An Intelligence Assessment**

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*ALA 87-10003  
January 1987*

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# Kenya: Hard Times Ahead

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An Intelligence Assessment

This paper was prepared by [Redacted]  
Office of African and Latin American Analysis, with  
contributions from [Redacted]  
[Redacted] Office of Leadership Analysis. It was  
coordinated with the Directorate of Operations. [Redacted]

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Comments and queries are welcome and may be  
directed to the Chief, Africa Division, ALA, [Redacted]  
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**Kenya:  
Hard Times Ahead**

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**Key Judgments***Information available  
as of 1 December 1986  
was used in this report.*

Kenyan President Daniel arap Moi is a firm friend of the United States and the West, and we believe that the extensive ties between Kenya and the West will remain strong in the short term. In our judgment, Moi is likely to preside over a relatively tranquil and prosperous body politic through the next general election now scheduled for 1988. The President enjoys the support of Kenya's military elite, his control of internal politics is unchallenged, and 1986 was the economy's best year since 1981.

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In his eight years as President of Kenya, Moi has established a degree of political dominance rivaling that of his predecessor, Kenya's founding President, Jomo Kenyatta. After surviving a coup attempt in 1982, Moi consolidated his power and cowed political opposition. He now stands alone as Kenya's undisputed leader and, in our judgment, has shown himself to be a master of playing off tribal rivalries against each other.

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In the near term, we believe that Moi's grip on power will be enhanced by:

- The collapse of Mwakenya, a small Marxist-Leninist movement, composed largely of intellectuals, that Moi's security services gutted in 1986.
- His success in strengthening Kenya's sole political party, the Kenya African National Union, to employ it as an instrument of political control.
- A subservient parliament that echoes presidential directives and serves as a bully pulpit for Moi's ministers.
- The lingering positive effects of a relatively prosperous 1985-86 when the Kenyan economy rebounded strongly from the 1984 drought as a result of excellent agricultural production, a resurgent tourism industry, and sharply lower oil bills.

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In the longer term, however, we believe Moi will face a series of challenges that will place his government under increasing strains and make his continued rule problematic:

- Kenya's record 4.2-percent annual population growth rate—the highest in the world—shows no sign of significantly abating.
- Urban unemployment is at least 50 percent and is likely to rise as migration to the cities continues and the economy turns downward after a buoyant 1986.
- Tribal tensions, though currently under control, are likely to grow as the economy slackens and government services fail to match population growth.


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- Corruption, which has increased dramatically in recent years and become more associated with Moi's leadership, will cut deeper into the economy and add to political and economic pressures over the long term. 

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We believe Moi is likely to waste the grace period that current economic good times and relative domestic tranquility provide. His desire to limit the influence of the private sector, "Kenyanize" the economy and government by removing foreign advisers and experts, and maintain tribal patronage will probably deflect the President from enacting the major initiatives necessary to spur economic growth and promote long-term political stability. His government, in our judgment, is unlikely to initiate significant reforms to address such serious underlying problems as population control, corruption, job creation, equitable land use, and the provision of essential social services. As Nigeria squandered the opportunity presented by enormous increases in oil revenues in the 1970s, so Moi's Kenya appears intent on coasting through its good fortune of high coffee prices, record corn and wheat harvests, unexpected tourism revenues resulting from the success of the movie *Out of Africa*—filmed largely in Kenya—and low oil costs. We believe that, without fundamental adjustments in its economic practices and domestic priorities, Kenya will soon begin a downward spiral of increasing economic decline, social unrest, and political instability. 

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As Kenya's prospects dim over the next decade, we believe that discontent at lower levels of the society and bureaucracy will rise, increasing the potential for radical ideologies to take root. We expect Moi to become, over time, more preoccupied with maintaining power as discontent spurred by fading economic opportunities deepens. In addition to the impact of corruption on the country's economic and moral base, public knowledge of its extent at the top could transform political dissidence from an occasional minor irritant to a concrete challenge to governmental authority. There is no sign so far that Kenyan leaders see the issue in such terms, however, and we believe that corruption will pose a greater threat to Moi's political viability over time. 

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We believe that Moi will remain committed to a West-leaning nonalignment irrespective of his domestic problems, and he is highly unlikely to solicit support from the USSR, Libya, or any other radical state, even if his political position becomes precarious. Should Moi die, retire, or be forced from office, virtually any potential successor from the front ranks of the

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political, economic, or military elites would almost certainly maintain Kenya's pro-West orientation. Political, business, educational, and cultural ties between Kenyan elites and the West are extensive and longstanding. Many senior military officials have been trained in the United States and the United Kingdom, and annual joint military exercises between Kenyan forces and US or British forces have strengthened and deepened this affinity. Several Kenyan ministers of government have Western wives, more have US college degrees, and almost all have had extensive and favorable exposure to the West. [redacted]

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We believe that at present there is only a remote possibility that the military establishment may include an anti-West activist capable of generating enough support to seize power. Moreover, radical civilian dissidents, few in number and unable to bring about a coup on their own, appear to have made no recruits among the military. Moi's loyal and relatively efficient security and intelligence services have been watchful since the 1982 coup attempt and are alert for signs of disaffection among the military. Moi also has augmented the military's prerogatives and improved its ethnic balance. [redacted]

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We also believe, however, that, as Kenya's economic and social prospects weaken in the 1990s, antigovernment, radical, and populist spokesmen will be more likely to emerge from among both civilians and the junior military ranks, seeking to bring down the system that Kenyatta and Moi have built. [redacted]

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As economic decline begins and social discontent rises, Moi is all but certain to turn to the United States and the United Kingdom, Kenya's two largest donors, to request substantially higher aid levels. His appeals for assistance are likely to become more urgent and forceful as his problems at home multiply. When the US-Kenyan military facilities access agreement comes up for renewal in 1990, significant social and economic decline will already have begun, in our judgment. We believe that Moi is almost certain to demand substantially higher compensation. [redacted]

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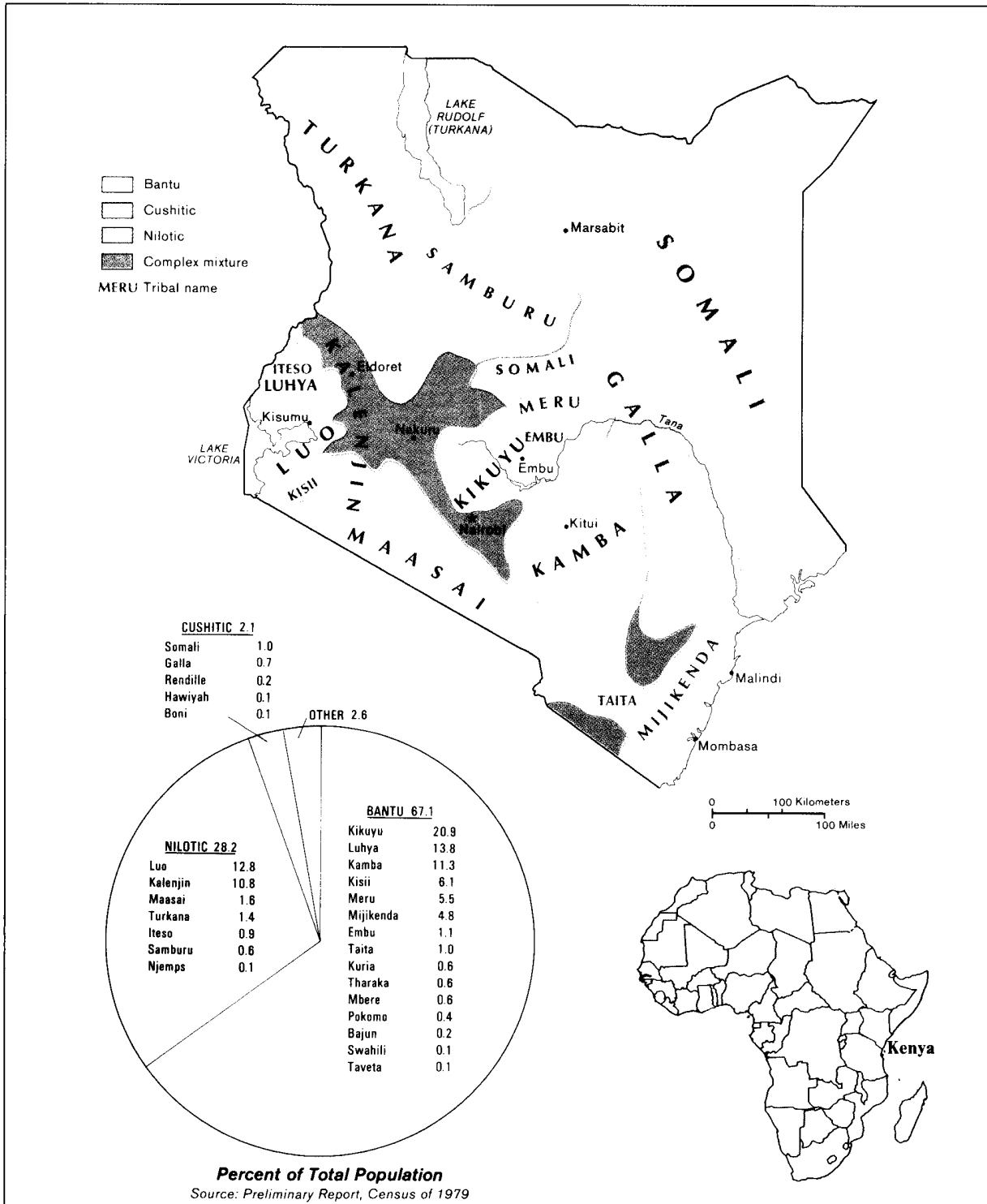
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**Figure 1**  
**Ethnolinguistic Groups in Kenya**



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**Introduction**

Daniel arap Moi has turned out to be far more astute than his detractors thought when, as Vice President, he ascended to the presidency on Jomo Kenyatta's death in August 1978. Moi was then generally judged to be a plodding, unimaginative representative of a minor offshoot of the unimportant Kalenjin tribe who would soon be outwitted by Kenyatta's politically and economically dominant Kikuyu tribe.<sup>1</sup> Moi, however, has demonstrated a talent for adroit political maneuvering, and has managed to split the Kikuyu, steadily improve the fortunes of his loose alliance of minor western tribes, and build a new tribal coalition as a base for his dominance of Kenyan politics.

gradually pared the power of parliament and reinvigorated Kenya's sole political party, the Kenya African National Union (KANU), to minimize the likelihood of successful internal opposition.

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Moi also strengthens control by taking a keen interest in both the personnel and the activities of his armed forces, civil service, and security services. Under Moi's rule, Kenyan civilian dissidents have been few, poorly organized and funded, essentially without impact, and quickly quashed. In addition, since 1985 Moi's mastery of the political landscape has been bolstered by the fortuitous confluence of unanticipated positive economic forces—record harvests, tourism related to the filming of *Out of Africa*, and reduced oil prices.

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This assessment discusses Kenya's relatively bright short-term prospects under Moi and addresses the looming demographic crunch that is likely to have serious mid- and long-term negative consequences for Kenya's stability. The paper assesses the willingness and ability of the Moi government to use its current grace period to devise effective policies to meet the demographic, economic, and political challenges of the 1990s. Finally, it explores the implications of likely developments for the United States.

**Taming the Kikuyu**

Moi moved slowly and carefully in the first years of his presidency: he allowed the Kikuyu initially to retain key Cabinet posts, easy access to State House (the President's official residence), dominance in security and financial areas, and their reputation as the key to Kenya's stability and prosperity. Moi ultimately succeeded, however, in undercutting Kikuyu authority by pitting Kikuyus against each other and by routinely rotating portfolios among senior officials so that stable power bases were difficult to attain and harder to hold. Moi's efforts were helped by the Kikuyus' failure to produce a dynamic and effective leader behind whom they could unite. Moreover, unlike most observers, Moi calculated—correctly—that the Kikuyu would tolerate political losses provided their economic interests remained intact.

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**Moi Asserts Control**

Moi's control is enhanced by his ability to manipulate rivalries among ethnic groups and, in particular, to keep the Kikuyu divided and off balance. He has

<sup>1</sup> The legacy of dominance of the Kikuyu, who constitute only 21 percent of Kenya's population, is rooted in the favoritism shown the tribe by Britain's colonial administration before independence in 1963 and thereafter during the 15-year tenure of founding President and preeminent Kikuyu, Jomo Kenyatta.

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The abortive coup in August 1982<sup>3</sup> by ethnic Kikuyu and Luo elements of the Air Force prompted Moi to become more assertive in tribal politics than he had been during his first four years as President. Concentrating on the Kikuyu, Moi:

- Dismissed the Kikuyu national chief of police and the Kikuyu commander of the General Service Unit—Kenya’s foremost paramilitary security force.
- Sacked and saw sentenced to prison the Kikuyu Air Force commander for failing to suppress the coup.
- Forced many key Kikuyu civil servants into early retirement.
- Called early national elections in 1983 and formed a government that reduced Kikuyu ministerial slots from nine to four. [redacted]

Moi’s political emasculation during 1983 and 1984 of one of Kenya’s most feared and powerful Kikuyus, Constitutional Affairs Minister Charles Njonjo, was a watershed event in his campaign to bring the Kikuyu to heel<sup>4</sup> and has encouraged the President to be even more assertive toward the Kikuyu, in our view. A second target of Moi’s anti-Kikuyu ire has been Vice President Mwai Kibaki, an intelligent [redacted] politician who generally has disappointed his fellow tribesmen by failing to defend Kikuyu interests, according to US officials. [redacted] Moi believes Kibaki has consistently failed to give him the public deference that is his due as President. Over the years Moi has employed a number of devices to remind Kibaki who is in charge:

- In 1983 Moi delayed announcing that Kibaki would remain his running mate until two months before the election.
- In 1985 Kibaki struggled for months to retain the vice-presidency of KANU when a public nod from Moi would have assured his reelection to that party post.
- In early 1986 Moi orchestrated a series of public attacks on Kibaki for his supposed tribal biases and his alleged failure to back the President strongly enough.

<sup>3</sup> The coup attempt was quickly suppressed by loyal Army forces. During the brief time that the rebels controlled the capital’s main radio transmitter, they announced that they were acting to end corruption, restore democracy, and further human rights. [redacted]



In each instance, the Kikuyu seemed to rally to Kibaki, their titular leader, according to US Embassy reporting. In our view, however, Moi repeatedly demonstrated his ability to measure accurately Kikuyu disaffection and to reduce political pressure before events reeled out of control. [redacted]

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We believe that Moi is seriously considering the political consequences of his proposing a non-Kikuyu running mate in 1988, and that there is at least a fair chance that Kibaki will not be retained. Moi already has appointed Kenya’s first non-Kikuyu foreign minister and attorney general without generating unmanageable discontent, and, in our view, Moi probably could contain the Kikuyu hostility that his removal of Kibaki would cause. For example, Moi, while dismissing Kibaki as Vice President during the next electoral campaign, could simultaneously appoint Kikuyus to other senior and visible positions, undertake additional development projects in Kikuyu areas, and arrange public endorsements from Kikuyu leaders. [redacted]

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**Moi’s Management Style**

In our judgment, Moi is at his best balancing tribal interests. At present, senior positions in the government, civil service, and military reflect Kenya’s tribal mix much more accurately than they did during the Kenyatta era. Aside from the armed forces, however, the general level of competence has dropped sharply, in our view. Personal loyalty is clearly more important to the President than professional expertise. This extends to his coterie of personal advisers, most of whom have only a rudimentary education and some of whom are illiterate. [redacted]

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Moi is extremely sensitive to criticism, according to the US Embassy.<sup>5</sup> Advisers are thus reluctant to inform him of bad news, with the result that manageable problems are often concealed from the President

<sup>5</sup> For example, in June 1982, shortly after Moi ordered political critics detained for the first time in his presidency, the editor of the *Standard* newspaper published an editorial suggesting that the President might have received some bad advice and questioning whether political detention was really in Moi’s best long-term interest. The editor was vilified by Moi’s supporters in parliament and hounded from his job within 24 hours. [redacted]

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**President Moi**



*President Daniel arap Moi, 62, comes from a poor family and received his early education at evangelical Christian mission schools. He was among the first black Kenyans to enter the colonial government in the 1950s and helped found the Kenya African Democratic Union (KADU) in 1960. Shortly after independence in 1963, he joined the Kenya African National Union (KANU)—now the sole political party—after KADU was disbanded. Moi then began a 14-year term as Minister of Home Affairs. In 1967, he was also appointed Vice President, serving an 11-year apprenticeship that, we believe, whetted his appetite for political power and reinforced his inclination to demand absolute loyalty from his subordinates. After Kenyatta's death in 1978, Moi became Acting Chief Executive and shortly thereafter assumed the presidency. He was elected unopposed to a second term in 1983.*

[Redacted]

*He is a poor public speaker and tends to ramble and carry on monologues in private conversations, according to Embassy officials. Although Moi has obtained great wealth and much real estate during his tenure, he is well known for his almost puritanical personal lifestyle. He neither smokes nor drinks. Divorced for many years, he has four daughters and three sons.*

until they become public and unwieldy. Moi's inability to distinguish constructive policy criticism from personal criticism also increases the influence of unprincipled sycophants and decreases that of objective advisers.

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Moi also has a penchant for making impulsive decisions, issuing puzzling pronouncements, and contradicting earlier instructions. As a result, Moi's aides often delay acting on his orders to avoid irritating him. This seriously impedes policy implementation and prompts the President to appeal directly to the people when he feels that his instructions have not been properly implemented. Although Moi's style often helps keep political opponents off balance, it also frequently creates an atmosphere of political drift and an impression of a President who does not know where he is heading.

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In our view, Moi, although anxious to do something for the common Kenyan, basically lacks vision. Although he is adept at political intrigue and tactical skirmishing to achieve short-term objectives, he does not fully understand economic issues and is not a long-range planner. He tends to react—or overreact—to problems rather than address underlying causes. Because many of Kenya's problems have been of short duration during his tenure, his talents thus far have served him well. Nonetheless, in our judgment, his shortsightedness is likely to become more of a liability as Kenya's serious long-term social and economic problems take hold.

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**Parliament: Safety Valve in Praise of the President**

The National Assembly is firmly in Moi's hip pocket. All candidates must obtain the clearance of KANU to run for office, and over half of those elected are customarily either ministers or assistant ministers, thereby ensuring that Moi always has a working majority. The constitution also permits the President to appoint 12 members of parliament, ensuring that any Kenyan President is able both to reward allies who have limited appeal at the ballot box and to monitor parliamentary developments with trusted associates.

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Moi often uses various parliamentary devices to assert his authority. He routinely employs closed-door KANU Parliamentary Group meetings to praise friends and upbraid laggards, according to US Embassy officials. The President also uses parliament as a public forum in which loyal surrogates take advantage of parliamentary privilege to criticize—and sometimes slander—suspected political opponents.

Despite the severe political constraints placed on parliament, it nonetheless serves some democratic functions. For example, although criticism of Moi is off limits, backbenchers often challenge ministers in floor debates. Ministers are obliged to respond to questions placed on the parliamentary calendar, and constituents' grievances are often addressed.

Particularly daring—or foolhardy—MPs sometimes raise highly controversial matters. For instance, in November 1985 Martin Shikuku, an assistant minister for environment and natural resources, publicly accused Chief Secretary Simeon Nyachae, Kenya's most senior civil servant and a close associate of the President, of corruption. Moi subsequently sacked Shikuku, who nonetheless retained his seat in parliament and did not retract his remarks.

Moi is not known, however, for his tolerance of parliamentary dissent or initiative. Even MPs who wish to publicly record their fealty to the President must use the appropriate mechanism. In 1981, Moi ordered that the Foreign Affairs Committee be disbanded because it had released a press statement congratulating the President on his foreign policy. According to a US Embassy official, Moi was incensed that the committee would presume to comment on an area that was his alone.

#### **KANU: a Presidential Lapdog**

Kenya formally became a one-party state in June 1982 when parliament passed a constitutional amendment at Moi's direction mandating KANU as the sole legitimate channel for organized politics. Although in practice Kenya had been a one-party state since 1969, KANU had been little more than a skeletal mechanism for holding national elections every four or five years.

Over the past four years, however, Moi has strengthened the party and made it a more effective instrument of political control. As the top party leader—KANU's president—Moi has:

- Conducted several KANU registration drives to boost the party's membership and improve its finances.
- Established a KANU daily newspaper that is subsidized by both the party and the government.
- Held party elections in 1985 for the first time in seven years.
- Formed a KANU disciplinary committee to ensure that members toe the government line.
- Expelled 15 senior party leaders, including a sitting member of parliament, for allegedly having given the party and the President less than total loyalty (until 1984, KANU had expelled only two members).
- Used the party's Governing Council as a forum for browbeating members deemed to be truculent.
- Repeatedly stressed that KANU should play a crucial role across the board in Kenyan society.
- Declared the party to be superior to parliament.

By reinvigorating the party and manipulating its affairs, Moi has created another lever of presidential control. For the typical Kenyan politician, successful party infighting has become a key to political survival, according to the US Embassy. Because the constitution states that all members of parliament must also be KANU members, an MP faces political double jeopardy: he may be a competent legislator on good terms with his constituents, but, if the party—at Moi's direction—fails to endorse his continued membership, his career in the National Assembly is over.

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**Key Officials**



**Mwai KIBAKI**  
*Vice President and  
Minister for Home  
Affairs*

*Mistrusted by President Moi because he is a member of the Kikuyu ethnic group . . . periodic target of pressure tactics aimed at easing him out of the vice-presidency . . . usually meek, defended himself staunchly against political attacks in 1986 . . . competent [redacted] low-key, affable . . . was Minister of Finance for 13 years . . . [redacted] . 54 years old. [redacted]*



**Nicholas BIWOTT**  
*Minister for Energy and  
Regional Development*

*A member of President Moi's inner circle of political and financial advisers . . . a longtime rival of Chief Secretary Nyachae . . . [redacted] a hard-driving "fixer" with a reputation for getting things done . . . has greatly expanded government involvement in the growing energy sector since his 1983 appointment . . . unswervingly loyal to Moi and a partner in most of his business deals . . . a member of the President's Kalenjin ethnic group . . . in his mid-forties. [redacted]*

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**Elijah MWANGALE**  
*Minister for  
Foreign Affairs*

[redacted]  
*no foreign affairs experience before his 1984 appointment . . . has little to do with policy formulation and is often bypassed in its day-to-day execution . . . has often been useful to President Moi as a political hatchetman . . . will probably be moved to a less conspicuous Cabinet position . . . a member of the western Luhya ethnic group . . . 47 years old. [redacted]*



**Gen. Mahmoud MOHAMED**  
*Chief of General Staff*

*Won national recognition for his role in suppressing an attempted coup by the Air Force in 1982 . . . was subsequently named Air Force Commander . . . a popular "soldier's soldier" . . . member of the under-represented Somali ethnic group . . . his appointment was hailed by many who feared a nomination based on ethnic favoritism . . . about 51 years old. [redacted]*

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That the party can be—and has been—used in such a fashion has had a sobering effect on individual initiative, according to US officials in Nairobi. [redacted]

**Civil Service: Under the President's Thumb**

As President, Moi oversees and often micromanages a civil service inherited from Britain's colonial administration and designed to preserve order and enhance central control. Provincial administrators, appointed by the President and serving at his pleasure, monitor and control developments in the countryside, according to the US Embassy, and they issue directives on everything from food production to disco dancing.

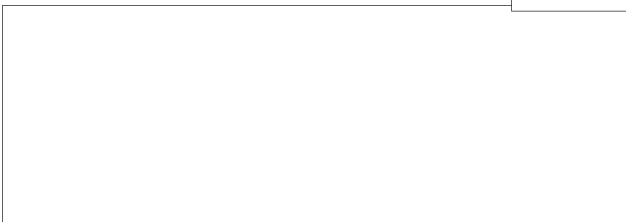
Among their most important functions are:

- Licensing political rallies and determining who speaks at such gatherings.
- Acting as election officers certifying ballot counts.
- Adjudicating land disputes.
- Chairing district development committees that oversee such basic services as water, roads, and electricity. [redacted]

According to the US Embassy, provincial officials are generally fair and competent, but abuses of authority have occurred, and each officer is responsible only to Moi. Provincial administrators who fail to implement the President's instructions and to sing his praises are quickly dismissed or consigned to inhospitable posts in Kenya's far north, according to US officials. [redacted]

Moi is just as concerned about the loyalty of senior civil servants in Nairobi. He often shuffles permanent secretaries, the highest ranking ministerial civil servants, in order to maintain tribal equities and personal control. [redacted]

The judiciary also is subject to the President's influence through his powers to appoint and dismiss judges, and Moi frequently weighs in on cases involving government officials, opposition leaders, and land disputes, according to US Embassy officials. [redacted]



**Dissidents: Few and Feeble**

Although Moi faces no sizable organized opposition, fringe groups periodically emerge to challenge his authority. In early 1986 Moi's security services began a crackdown on a small underground Marxist-Leninist movement called Mwakenya (a Swahili acronym for the Union of Patriots for the Liberation of Kenya). By November about 45 persons had been arrested and convicted. [redacted]

We believe that Mwakenya's predominantly Kikuyu intellectual membership has reinforced the President's deep distrust of the universities and the Kikuyu. In our view, Moi's objective is to prevent the group from expanding beyond its narrow civilian intellectual base into the armed forces. He has not forgotten that the coup attempt in 1982 was launched by Luo and Kikuyu Air Force personnel whose general level of education was much higher than that of the military as a whole. [redacted]

Mwakenya's attempts to recruit military personnel have produced no known converts. [redacted]



[redacted] In our judgment, the Kenyan military is not now a fertile ground for Marxism-Leninism, and we believe that Mwakenya has little chance of making much headway in the armed forces even if it survives the crackdown. Moi has taken pains to keep the armed services content and has been generally successful in doing so since the coup attempt in 1982. He keeps military benefits much higher than those available to the general public, appoints trusted—and respected—general officers to senior commands, is alert to tribal implications of promotions and assignments, and frequently appears at military ceremonies to thank the armed forces for their service to the nation. According to US Embassy officials, the Kenyan military is also aware that it is quite well off compared with other armed forces in East Africa. [redacted]

Although Mwakenya explicitly endorses Marxism-Leninism, we see no sign that it has been financed by the USSR or any other Bloc country. Kenyan security

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**Moi and the Universities: An Adversarial Relationship**

Kenya's institutions of higher education have been a frequent focus of political protest and opposition since independence. As a former teacher, Moi believes that he knows the problems of education intimately. The President, however, possesses only an elementary school education and, in our view, fails to understand problems that confront university students and faculty. Over the past 23 years, the government has temporarily closed the University of Nairobi 33 times because of student disturbances or unauthorized political activities, according to the US Embassy, and other institutions of higher education, such as Kenyatta University College and Egerton College, also have been plagued by student disorders and closures.

[redacted]

Moi is suspicious of university students and faculty for several reasons. First, he is convinced that many have Marxist or, at a minimum, anti-Moi sympathies, according to US officials in Nairobi. His view on this score was strengthened by limited student support for the 1982 attempted coup, the emigration of some faculty who subsequently denounced his government, the arrest of a few university personnel who later admitted Communist affiliations, and because many members of the dissident clandestine organization, Mwakenya, have university credentials.

[redacted]

Moi also believes that Kenyan universities cater to the whims of "irrelevant intellectuals" and ignore the teaching of practical skills necessary in a developing

country. As a result, Moi championed the creation of a new institution of higher education—Moi University, opened in 1984—that emphasizes disciplines like agriculture and animal husbandry.

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Finally, Moi believes that university students are a lazy and pampered lot, especially by Kenyan standards. All Kenyan university students receive full government stipends, and the President has often accused them of ignoring the financial sacrifices their countrymen have made to allow them the privilege of a college education. Moi's views of the university system generally reflect those of Kenyan society as a whole; US officials in Nairobi note that, though Kenyans consistently support education, in the main they also believe that many university students and faculty are coddled and untrustworthy.

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Moi's distaste for academia is reciprocated on campus. US officials in Nairobi report that most university professors privately express fear of and hostility toward Moi. Student protests frequently focus on governmental policies toward the university, and students often complain bitterly—albeit quietly—that Kenyan law stipulates that Moi, and not an educational professional, is Chancellor of the University of Nairobi. In our view, the mutual animosity that characterizes the relationship between State House and the campus is likely to continue, and colleges will remain a wellspring of discontent.

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services diligently monitor Bloc nationals' contacts and are unlikely to have missed significant ties.

[redacted]

We believe that Mwakenya's minuscule financial resources come from the voluntary contributions of its small membership.

**The Economy: Riding High for Now, But Headed for Trouble**

1986 was the best year for the Kenyan economy since 1981, according to the US Embassy, and Moi is reaping the short-term political benefits. Kenya's

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primarily agricultural economy has fully recovered from the 1984 drought and is enjoying the benefits of generally higher prices for coffee—its most important export crop—lower oil bills, and near-record agricultural production across the board. Moreover, the film *Out of Africa* helped boost foreign exchange earnings from tourism by 38 percent in 1985. Tourism is now Kenya's second-highest foreign exchange earner, ranking behind coffee and ahead of tea. Overall, the economy grew by 4.1 percent in 1985. [ ]

Although much of the present prosperity can be attributed to external factors, at the urging of multi-lateral and bilateral donors the Kenyan Government has demonstrated some financial and fiscal discipline. Kenya has been most receptive in areas where technical adjustments are comparatively simple and significant domestic political fallout unlikely. For example, because of IMF-imposed restrictions in the early 1980s, Kenya reduced budget deficits, cut monetary growth, raised interest rates, imposed restrictions, and devalued its currency without generating domestic discontent. These factors contributed to reduced current account deficits and brought inflation down to an annual rate of 6.6 percent in the first half of 1986, according to the Kenyan Central Bank, the lowest such figure since 1978. [ ]

The structure of Kenya's debt—largely low fixed-interest rate loans with lengthy maturities—is also generally good. US Embassy reporting nonetheless indicates that repayment problems will arise by the 1990s without strict limitations on new borrowing and more effective debt management. [ ]

Despite Kenya's relatively buoyant economy in 1986, rapid population growth and attendant problems already are eroding living standards: real per capita income declined by about 5 percent between 1980 and 1985, according to IMF reporting. Urban unemployment currently exceeds 50 percent—up from 3 to 6 percent in the mid-1960s—and is rising despite current economic good times. We see little hope that Kenya's economic performance in agriculture, manufacturing, and exports will be consistently high enough to prevent further declines in living standards and to maintain political stability. Furthermore, we

judge increasing levels of already substantial corruption to be an additional strain on Kenya's economic and social fabric. [ ]

GDP growth will probably average between 3.5 and 5.5 percent a year over the next five to 10 years, according to a World Bank study undertaken with varying assumptions. In our judgment, a growth rate on the lower end of the scale is the more likely, especially given Kenya's lagging policy implementation. Moreover, Kenya can neither depend on favorable world prices for its most important export crops—coffee and tea—nor expect current low oil costs to become the norm. Inadequate rainfall could once again depress agricultural production, and the threat of becoming enveloped in another African locust plague is of concern to Kenyan planners. [ ]

#### **Agriculture's Future Dims**

Long-term prospects for the agricultural economy are not encouraging. Once self-sufficient in food, Kenya is becoming more dependent on imports as per capita food production declines. Although total food production has increased over the last decade, benefiting from near-market prices and extension services, population has grown faster. Moreover, Kenya's limited arable land has forced growing numbers of small farmers to cultivate marginal lands, making gains in productivity more difficult to achieve. According to the World Bank, agriculture has been restricted further by government control over marketing; limited availability of farm equipment, seed, and transport; poorly performing public credit institutions; and real declines in government spending on agriculture. Although the government probably could expand marginally its agricultural production through more extensive irrigation, the scarcity of water makes large-scale irrigation a costly—if not economically prohibitive—alternative. [ ]

#### **Increased Manufacturing an Unlikely Panacea**

We believe that the manufacturing sector is unlikely to ameliorate Kenya's burgeoning unemployment problem and thereby ease Moi's task of defusing popular discontent in the 1990s. Without key structural changes, Kenyan manufacturing will not create

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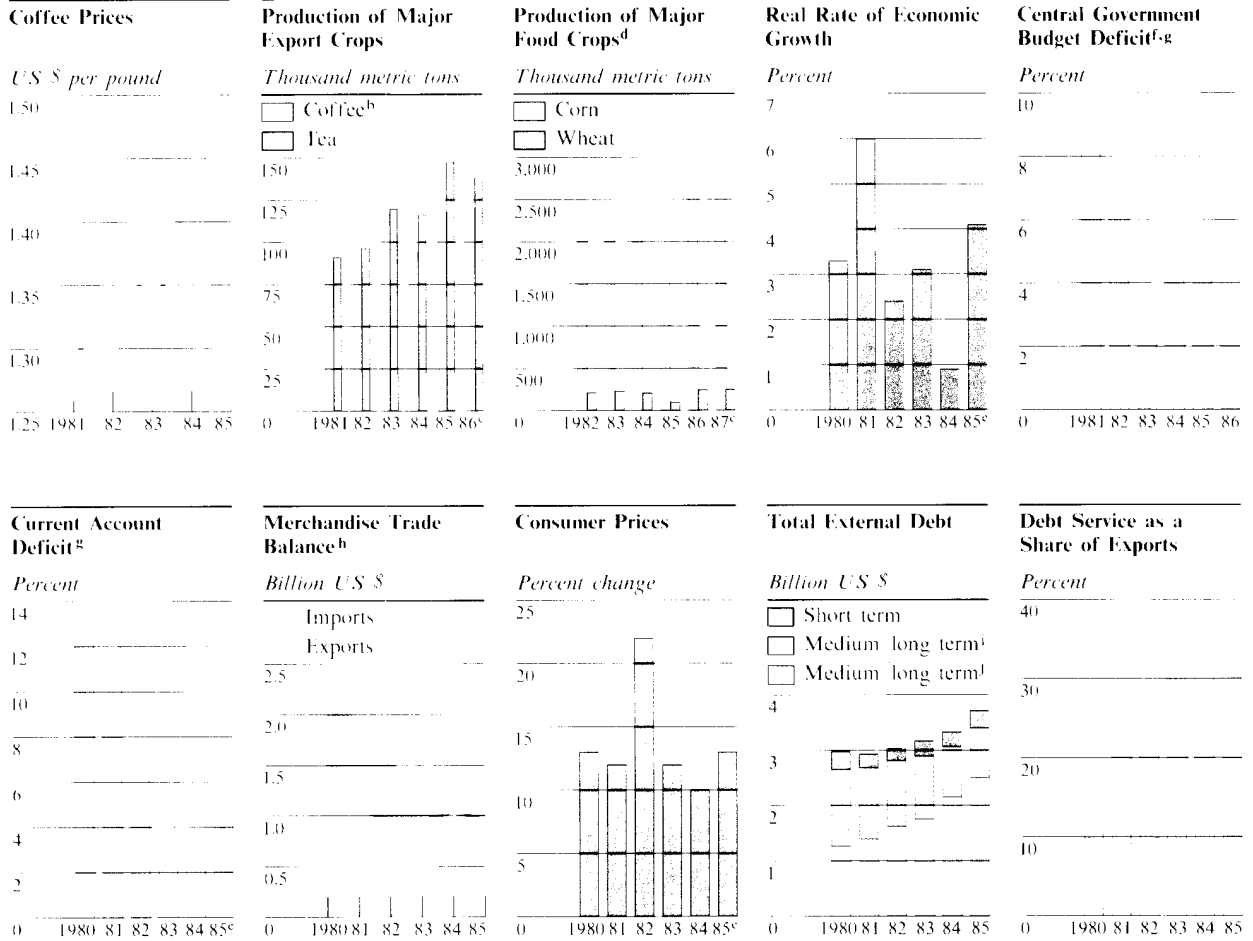
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**Figure 2**  
**Kenya: Economic Indicators<sup>a</sup>**

*Note scale change*



<sup>a</sup>As a share of GDP. Data include grants.  
<sup>b</sup>Exports F.O.B. and imports F.O.B.  
<sup>c</sup>Projected.  
<sup>d</sup>Marketing period beginning in October of the stated year.  
<sup>e</sup>Estimated.  
<sup>f</sup>Marketing period ending in June of the stated year.  
<sup>g</sup>Fiscal period ending on 30 June of the stated year.

<sup>h</sup>As a share of GDP. Data include grants.  
<sup>b</sup>Exports F.O.B. and imports F.O.B.  
<sup>i</sup>Private sources.  
<sup>j</sup>Official sources.

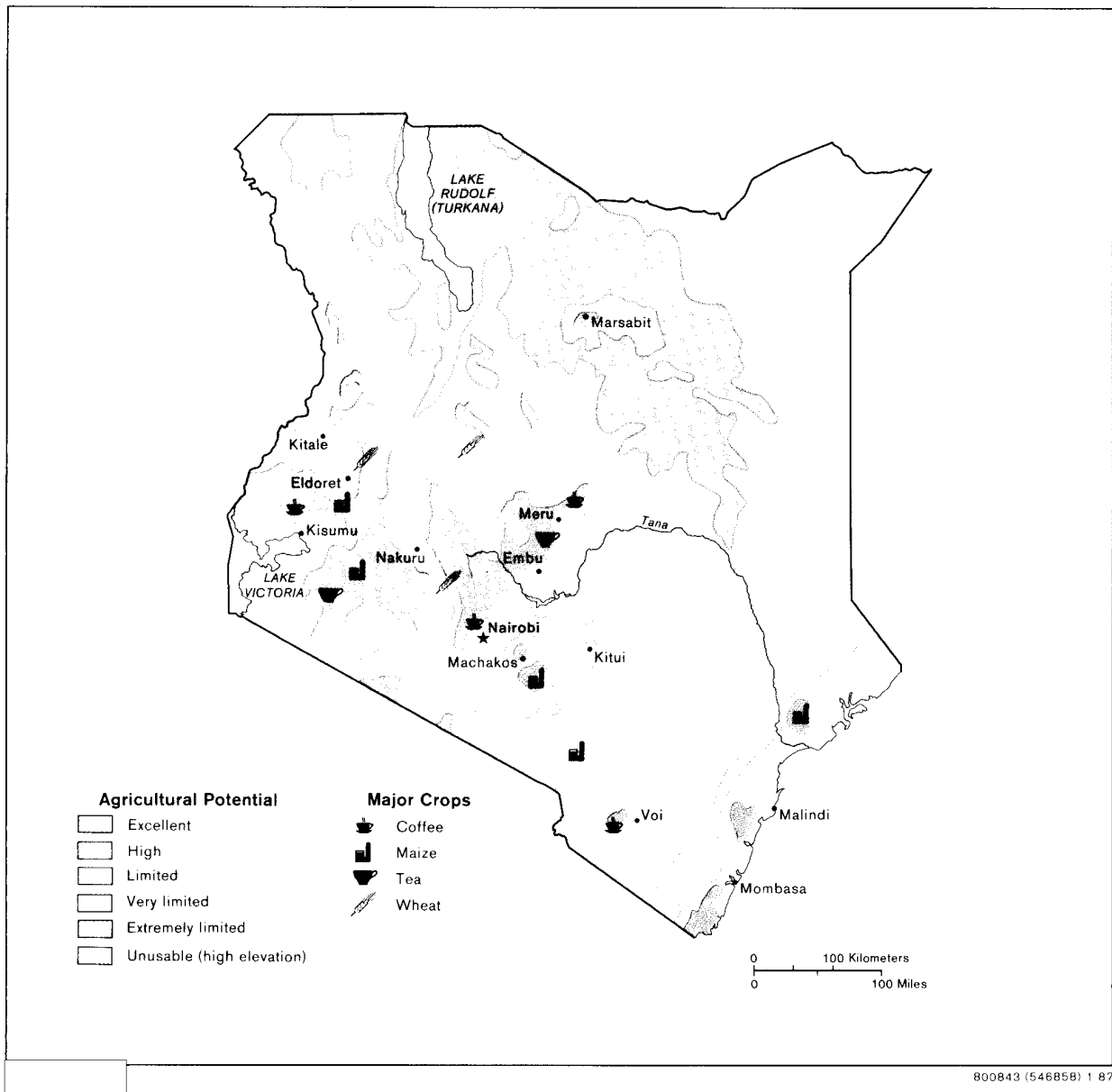
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**Figure 3**  
**Agricultural Productivity in Kenya**



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jobs at a significantly higher pace than it has over the last five years, which has been about half that of the population growth rate.

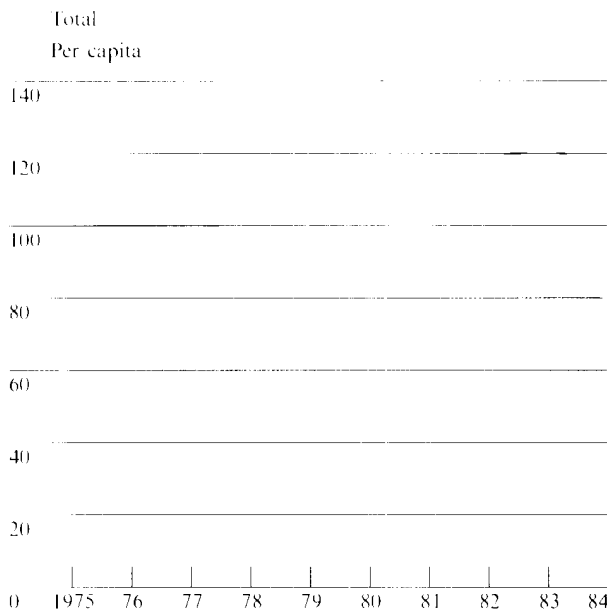
The World Bank reports that the government's industrial policies, including high import restrictions on finished goods, have encouraged the use of capital

over labor, as well as inefficient manufacturing practices that have stunted Kenya's ability to compete outside its regional market. Many domestically produced goods are, in fact, far more costly than those imported. Moreover, with few significant natural resources, the country is forced to import most raw

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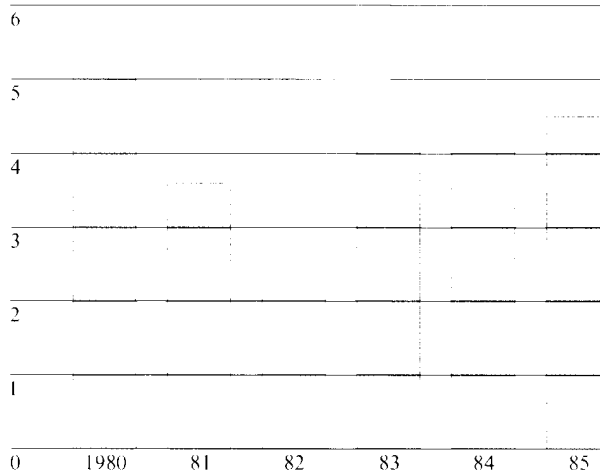
**Figure 4**  
**Kenya: Per Capita and Total Food Production, 1975-84**

*Index: 1975=100*



**Figure 5**  
**Kenya: Growth of Real Manufacturing Output, 1980-85**

*Percent*



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materials, machinery, and spare parts needed by manufacturers; this, in turn, makes the industrial sector vulnerable to foreign exchange shortages.

Despite these handicaps, Kenyan data indicate that manufacturing has been a steady contributor to national income and employment, averaging yearly increases of about 3.8 percent since 1981—thanks largely to multinational investment and government protection policies, in our judgment. Increased imports and reduced inflation since 1982 helped accelerate manufacturing growth to 4.5 percent in 1985, but manufacturers are heavily concentrated in Nairobi and Mombasa, and the government is trying to encourage new business in less developed regions. In order to be economically feasible, however, such

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expansion requires improving the quality of production, identifying new foreign markets, and obtaining more foreign capital. Nonetheless, because most of the likely markets are in neighboring states, whose inadequate national infrastructures and protectionist policies hinder access to them, we believe that further foreign investment in Kenya's manufacturing will probably be inhibited.

**Export Volume Lagging**

Moi's domestic standing also is likely to be hurt by mixed export performance, in our view. Although Kenya's export prices generally increased since 1980, export volume—a key mechanism for sustained economic growth—decreased by about 10 percent between 1980 and 1985, according to Kenyan data. Substantial declines in the export of petroleum products and in manufactured goods offset significant

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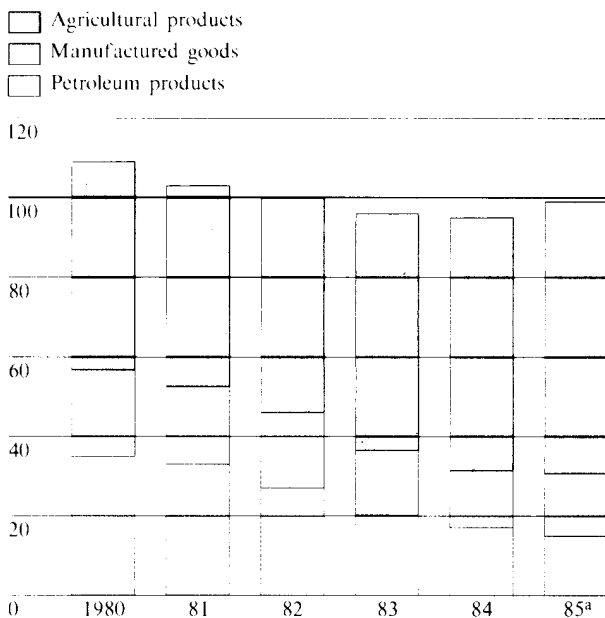
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**Figure 6**  
**Kenya: Export Volume, 1980-85**

Index: 1982=100



<sup>a</sup> Estimated.

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increases in agricultural exports. Manufactured exports declined because of foreign exchange constraints, recession in Europe, and the poor economic performance—and, hence, dwindling markets—of neighboring countries, according to World Bank reporting. In addition, high transportation costs as well as relatively low labor productivity have reduced Kenya's competitiveness with Asian countries that supply labor-intensive products and handicapped Kenya's ability to raise volume levels. In our judgment, agriculture's increasing importance as a foreign exchange earner combined with lower overall export volumes aggravates Kenya's vulnerability to downturns in world agricultural prices, especially for coffee and tea.

**Growing Corruption**

Government graft is a key factor that will increasingly impede Kenyan economic growth, in our judgment. In

May 1984 the US Embassy reported that corruption, though substantial and growing, was not on a scale comparable to that of Nigeria or Zaire. Such a judgment is still warranted, in our view, but the difference between Nairobi and Lagos or Kinshasa is fading fast. According to a variety of Embassy reporting, massive corruption determined Kenya's decision on both the purchase of the Airbus in 1984 and the financing for the multimillion-dollar Turwell power and irrigation project in 1985. extensive corruption in the Army, and banks have been riddled by directors making ill-advised "loans" to themselves and relatives. Various fraudulent import schemes reach to the most senior levels of government, and, aside from Kenya's tea parastatal, no government economic entity has a reputation for financial probity.

Corruption has become not only more blatant but also now cuts across virtually the entire society and has even been institutionalized through the practice of *Harambee* (Swahili for "let's pull together"). *Harambee* fund drives started under Kenyatta as local self-help initiatives to build schools, irrigation projects, and the like. Over the years, *Harambee* drives have become a major source of graft, as businessmen are pressured to fund the large contributions that politicians then make in their own names. Moreover, there is no bookkeeping to account for the expenditure of funds raised.

According to US Embassy officials, local politicians and parliamentarians of average means complain bitterly in private about *Harambees*. These individuals believe the system has been so abused that it should be abolished, but senior politicians in a position to extort contributions have a vested interest in seeing the system flourish. This cleavage between "citizen politicians" and their well-heeled counterparts is likely to become more acute over time and increase the likelihood that a populist politician will challenge the political establishment on this issue, in our view.

We believe that Kenya's growing corruption is slowly undermining the economy, and that it will also damage popular support for the government as official

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greed becomes more associated with Moi's administration. In our judgment, growing corruption will increase bureaucratic delays, encourage entrenched and venal government officials to block economic reforms, and sap investor and donor confidence in Kenya. [redacted]

### The Demographic Challenge: Too Many People

In our view, Kenya's most imposing problem is its 4.2-percent annual population growth rate—the highest national growth rate ever recorded anywhere.<sup>6</sup> This tremendous population growth will generate rapidly increasing pressures on finite physical resources, such as land and water, and create growing demands for social services and job opportunities. We believe that Kenyan authorities will be unable to meet these escalating requirements, and that Moi will be hard pressed to maintain political control as Kenya moves into the 1990s. [redacted]

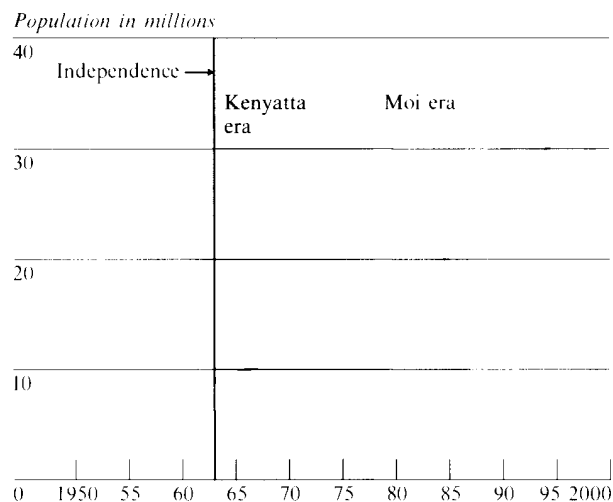
In general, the government's family planning effort suffers from ambivalence, bureaucratic infighting and delays, and minimal financial commitment, according to US Embassy reporting. Despite repeated public endorsements by Moi and other senior officials, Kenya's family planning program is still a low government priority, according to US Embassy reporting. For example, the 1986/87 fiscal year budget allots only 0.2 percent of total government expenditures to birth control. Kenya's stated development strategy is primarily to improve living standards by increasing economic growth, not by reducing fertility rates. [redacted]

Kenya's 1986 population of approximately 21 million will almost double to about 37 million by the year 2000. Moreover, given Kenya's median population age of 13.9 years (compared to about 18 in the rest of Africa and 31 in the United States), it will be extremely difficult to reduce the country's population growth rate over the next generation, even if the government takes urgent steps in this regard.<sup>7</sup> [redacted]

<sup>6</sup> According to UN statistics, the population growth rate for Sub-Saharan Africa, excluding Kenya, is about 3.1 percent per year. [redacted]

<sup>7</sup> Despite markedly differing population growth rates among Kenyan tribes—the Kikuyu rate is about 3.2 percent while that of the Luhya is about 4.5 percent—our calculations indicate that tribal balance will be only marginally affected over the next two decades. [redacted]

**Figure 7**  
**Kenya: Population Growth, 1950-2000**



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### Not Enough Jobs

Kenya's population explosion is creating a labor pool that will almost double from 8 million in 1986 to 14.6 million people by 2000, according to World Bank estimates. The educational system currently is pumping about 420,000 jobseekers into the market each year, but the wage economy is creating only 20,000 to 30,000 new jobs every year, according to the US Embassy. In our judgment, this development is rapidly producing a generation of Kenyans who are dependent on their relatives, subsistence farming, crime, and handouts. Moreover, because only about 20 percent of Kenya's land is arable and rural jobs are in short supply, many farm families encourage their older children to find work in cities that are already crowded with the destitute and underemployed. US Embassy [redacted] reporting indicates that urban population growth is 8 to 9 percent per year. In our judgment, these trends will intensify and generate more urban crime, increased social discontent, and a

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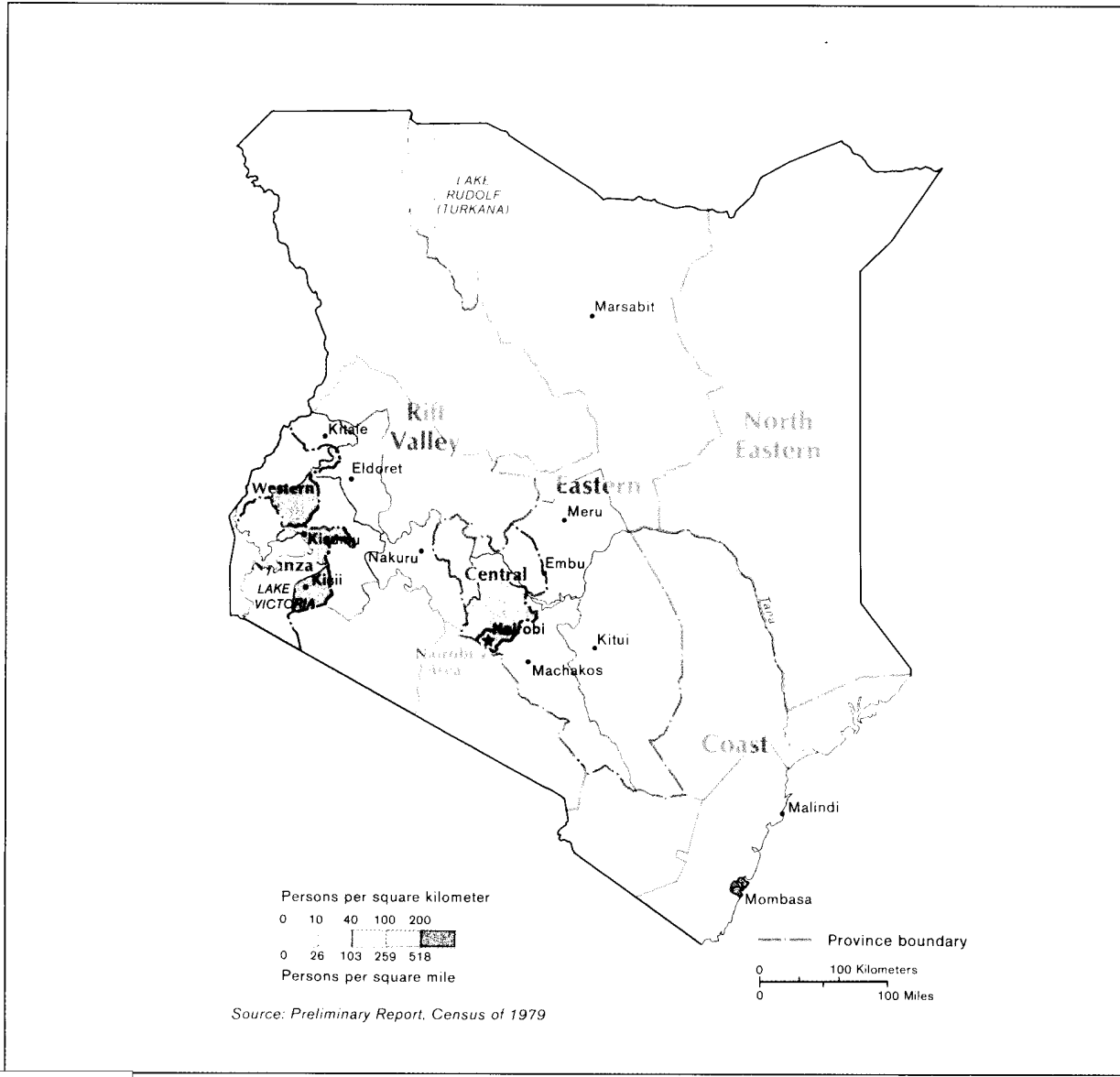
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Figure 8  
Population Density in Kenya



Source: Preliminary Report, Census of 1979

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vastly expanded and embittered underclass cut off from its cultural roots and susceptible to radical causes. [ ]

**Overburdened Educational System**

Declining educational opportunities will damage the standing of Moi's government among a population that places a premium on schooling and routinely

makes financial sacrifices to ensure the education of its children. Despite social and fiscal policies that emphasize education, a smaller proportion of Kenya's children of elementary school age attended school in 1986 than a decade ago, according to US officials. This paradox is directly caused by the country's

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population growth. The Embassy reports that the proportion of Nairobi's would-be first graders who failed to obtain places in the capital's schools rose from one-third in 1985 to one-half in 1986, and that by 1990 there will be three times as many entry-level school children in Nairobi as there are places. [ ]

We expect this already serious problem to worsen rapidly throughout Kenya during the 1990s as the overcrowded school system struggles to absorb the projected 90-percent increase by the year 2000 in the number of students between the ages of 6 and 11. Kenyan central government outlays for education easily constitute the largest single line item in the budget—over one-third of all program expenditures—and it is difficult to see how current educational standards can be maintained in the absence of additional foreign support. [ ]

#### **Strained Health Services**

We believe that Kenya's booming population growth rate will also create additional health care problems in the 1990s that will impact negatively on the government's standing with the people. In our judgment, declining per capita government expenditures on health care will mean higher infant mortality, greater incidence of serious illnesses, lower life expectancy, and a growing health care gap between the "haves and have-nots" in Kenyan society. This will make it easier for potential organized opposition to portray the Moi government as one that gives short shrift to the fundamental needs of the common citizen. [ ]

A number of endemic diseases, including malaria and schistosomiasis, burden Kenya's underdeveloped health care system, and AIDS is gradually becoming a matter of serious concern as well, according to US Embassy officials. Despite these major illnesses and Kenya's need to devote more resources to family planning, in our judgment the Health Ministry will be hard pressed to maintain, much less increase, its 10-percent share of the budget, given the stiff competition it faces from other, more entrenched bureaucracies. We believe that it will be impossible for the government to continue its current level of health care

over the next two decades without substantial infusions of foreign aid, because government revenues probably will not keep pace with population growth. [ ]

#### **Land Scarcity**

Regardless of tribal or economic affiliation, Kenyans tend to define their status by their degree of access to and control over land, according to US Embassy reporting. Shared land interests often generate ethnic alliances while conflicting land claims easily create intense animosities. Politicians are frequently judged by their ability to generate new plots from subdivided estates for land-hungry constituents, and landholding companies formed to obtain land for small shareholders are among Kenya's largest—and most corrupt—enterprises. [ ]

In our judgment, the population explosion will almost certainly exacerbate the sensitive issues of access to land and adequate smallholder food production even if scientific advances prompt a new "Green Revolution." The US Embassy reports that Kenya already has less land under cultivation per capita than India. [ ]

Kenya's land problems are compounded by the rise of a new landed aristocracy, according to US Embassy reporting. This "new class," composed primarily of the country's political, business, and military elites, has essentially supplanted the former landed colonialists by arrogating to itself Kenya's best real estate. Despite the public clamor for land and the burgeoning population, land in two of Kenya's most populous and agriculturally productive provinces, Central and Nyanza, is in the hands of fewer owners in the 1980s than at independence. Moreover, Kenya's landholding companies are dominated by entrenched political and economic elites, and, according to the US Embassy, are rife with fraud, corruption, and mismanagement. In our judgment, the concentration of land ownership among political and economic elites could become political dynamite as population pressures increase

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and the landless begin to ask—or find out—how land became concentrated in the hands of the privileged few. [redacted]

production and exports, and low priority for reducing population growth rates. We believe that the steps outlined in the April 1986 plan would probably not avert a serious economic decline even if they were fully implemented, because population growth will outstrip that of the economy. [redacted]

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**Outlook and Implications for the United States**

We believe that Moi will probably retain firm control through the next national election now scheduled for 1988.<sup>8</sup> The economy is now relatively buoyant, and even a sharp economic downturn would not be felt by most sectors until 1988, according to US Embassy officials. Nonetheless, we believe that his government and Kenya's continued political stability will be seriously threatened in the next decade when, in our view, major demographic and structural problems will begin to slide out of control. Indeed, we believe that Moi has failed to use the grace period provided by the fortuitous economic events of 1985-86 to deal with looming critical issues, and, instead, Moi seems to regard Kenya's current economic good times as proof of his wise stewardship. [redacted]

The population explosion has already overwhelmed Kenya's ability to create jobs and, in our judgment, in the 1990s will have the same impact on the provision of classrooms, medical care, housing, food, and land. Longstanding tribal animosities will sharpen in the scramble for scarcities, and common crime will increase as well as the temptation to redress political and social inequities with violence. In our judgment, Moi is apt to react to increased strife with a firm hand that will treat the symptoms but not the disease. More frequent resort to political detention, tighter control over the press, and larger, more active security forces are liable to be Moi's responses to increased social unrest. Dissidence will probably increase and become more radical because inequalities will run deeper, broader, and become more apparent, thereby increasing the pool and volatility of the discontented. Social unrest, in our judgment, would also seriously strain Moi's coalition of smaller ethnic groups and encourage the Kikuyu to take concrete steps to reassert their one-time political supremacy. [redacted]

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The government's 15-year economic development plan to increase living standards presented in April 1986 calls for a more market-oriented approach, with a variety of measures to expand the private sector, increase investment efficiency, and encourage exports. It is also hoped that the plan will reduce budgetary gaps to 2.5 percent of GDP by 1990 and increase the productivity of public investments by concentrating new development in fewer, higher priority projects. The US Embassy reports, however, that the government's implementation of its development strategy has been characterized more by inertia than movement. Most notably, the 1986/87 fiscal year budget disappointed virtually all donor countries by generally failing to implement the April 1986 reforms. [redacted]

As long as Moi remains President, we believe that Kenya will retain its pro-US orientation. We doubt that Moi would look to the USSR or Libya under any conceivable set of circumstances, as the President is deeply suspicious of the objectives of both countries in Africa.<sup>9</sup> [redacted]

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Even more fundamental, in our judgment, is that the reforms themselves contain several serious weaknesses, including a failure to attack directly the drain of parastatals on the budget, limited trade liberalization measures, unrealistic expectations about agricultural

As Kenya's demographic crunch begins to hit home, we expect Moi to request much higher levels of US and other Western assistance in order to meet his economic and social requirements. He is almost certain to remind all donor countries of his moderate foreign policies, his relatively free press, and his

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<sup>8</sup> See appendix A for a survey of Kenya's foreign policies under the Moi administration. [redacted]

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<sup>9</sup> The Kenyan parliamentary election must be held at least every five years and was last held in September 1983. Moi called the last election a year early and might do so again, although US officials in Nairobi believe it likely that Moi will wait until 1988. [redacted]

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openness to further foreign investment. Moi is unlikely to obtain additional aid from the United Kingdom, however. In September 1986, London bluntly and vigorously informed other OECD Development Assistance Committee members that, despite their strong advocacy of higher levels of British foreign assistance, the United Kingdom intends to hold the line on such outlays [redacted]

In trying to generate more US assistance, Moi is almost certain to cite the military facilities access agreement as evidence of his commitment to cordial and close relations. The President also probably will become much more actively involved in the preparations for the 1990 US-Kenyan negotiations on a further five-year extension of US military access, and he is likely to stress that the 10-year anniversary of the accord in 1990 would be an appropriate occasion for significantly greater US assistance in return for continued access to Kenyan military facilities. We believe that Moi would be highly unlikely to terminate the agreement even if the United States failed to increase assistance markedly, although he might ensure that the day-to-day operation of the accord became more formal and cumbersome. [redacted]

Over time, we believe, Moi's grasp on power will become more tenuous, and, as a consequence, he is likely to become more authoritarian. In our judgment, he will become less willing to listen to the counsels of moderation and more impetuous in asserting himself. Such behavior is likely to have a negative impact on his image among Western donors and their willingness to increase aid levels. [redacted]

In the short term, we know of no potential successor to Moi who would wish fundamentally to reorient Kenya's foreign policy. Kenya's senior political, economic, and military elites are all solidly pro-West. Moreover, we see no sign that the military rank and file is a likely breeding ground for anti-West activists who would be able to muster the support necessary to seize and maintain power. Since the coup attempt in 1982, Moi and his security services have become far more aware of the possibility of opposition from within the military and more efficient at detecting it,

in our judgment. As long as Moi maintains the military's tribal balance and prerogatives, we believe it is likely to remain loyal to his administration. [redacted]

Over the long term, however, we cannot rule out that leftist or populist leaders akin to Oginga Odinga in the 1960s or J. M. Kariuki in the 1970s may emerge, particularly as the country's economic and social trends slope ever steeper downward in the 1990s. Such radical leaders could play upon popular grievances and blame the West, as Moi's mentor, for Kenya's ills. In sum, before the end of the next decade the United States and the West will probably find that, although Kenya is still a key to US regional interests, it has become increasingly at odds with both its own people and Western public opinion. [redacted]

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**Appendix A**

**The Foreign Policy Dimension:  
Moi as Moderate  
International Spokesman**

Kenya is a nominal member of the Nonaligned Movement, but President Moi and his government have extensive, firm, and longstanding ties to the West. US-Kenyan relations are excellent and expanding, and Nairobi's contacts with London—though hampered by occasional irritants—are generally congenial and reciprocated. Kenya even has extensive, albeit discreet, commercial and security relations with Israel. Neither the Soviets nor the radical Arab states have been able to make any headway in Nairobi.

[Redacted]

Reversing Kenya's longtime inward-looking stance, Moi has taken an active role in international affairs since his 1981-83 chairmanship of the Organization of African Unity. In addition, he has added to his regional credentials by rebounding strongly from an unsuccessful coup attempt in 1982, conducting generally free and fair national elections in 1983, and overseeing Kenya's impressive recovery from the 1984 drought.

[Redacted]

**Growing Relations With the United States**

Traditionally positive relations with the United States are illustrated by the presence of Peace Corps volunteers, who have been in Kenya since 1965 and now number some 250, the largest such program in Africa and the second-largest in the world. In the early 1980s, the United States became Kenya's largest foreign aid donor, providing nearly \$100 million annually in economic and development assistance. Moreover, more government officials have received their college educations in the United States than in any other country, and approximately 4,000 Kenyans currently study at US universities, according to the US Embassy.

[Redacted]

In 1980 the United States and Kenya signed a Military Facilities Access Agreement permitting US use of Kenyan airfields and ports. Over the past six years, more than 30 US warships and 100,000 sailors have called at the port of Mombasa, according to the

US Embassy. Nairobi authorities have also permitted over 300 US military transport flights to Diego Garcia to transit Kenyan airfields, and the United States has pre-positioned 200,000 barrels of diesel marine fuel and 55,000 barrels of jet fuel in Mombasa. Although the specifics of the access agreement are not public knowledge in Kenya, senior Kenyan military and political authorities are enthusiastic about the benefits that have accrued to Nairobi as a result of military cooperation with the United States. These include:

- The US-financed \$55 million Mombasa harbor dredging and runway improvement projects.
- Approximately \$25 million annually in military assistance that sustains existing helicopter, F-5, heavy equipment transport, and well-drilling programs for barracks and military outposts.
- Regular US-Kenyan joint military exercises involving hundreds of soldiers from both sides each year.
- A substantial financial infusion for the coastal economy during each US Navy port call.

Kenyan officials have been pleased with the access accord, according to the US Embassy, and have permitted the establishment of a major US Navy communications site in Mombasa to support US operations throughout the Indian Ocean. Moreover, Kenyan authorities readily assented to a five-year renewal of the agreement in 1985 without making demands for additional compensation.

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**Appendix B**

**Armed and Security Forces**

Because Kenya does not face a major threat of aggression, the external mission of the armed forces is not well defined. Moi has used the Army to quell disturbances along Kenya's borders with Somalia and Uganda, to crack down on ethnic unrest in Kenya's remote North Eastern Province, and to assist the police force and the General Service Unit in maintaining internal security. The Army also plays a small role in some civil-action, national development projects.

[redacted]

**Army**

The Army's attitude and support for Moi were demonstrated by its decisive progovernment behavior during the 1982 attempted coup: it not only quickly crushed the disorganized Air Force rebellion, but also immediately returned the President to State House and remained out of politics thereafter instead of using the coup attempt as an excuse to meddle in political affairs and assume executive power for itself. With 15,700 men and the lion's share of the military budget, the Army is Kenya's military backbone and relies primarily on US and UK equipment. Kamba and Kikuyu tribesmen occupy over half the ranks of lieutenant colonel and above, but Moi's emphasis on broader ethnic representation is creating an Army whose recruitment and promotion patterns better reflect the country's ethnic mix. The July 1986 retirement of General Mulinge, a Kamba who had been Chief of the General Staff since 1980, and his replacement by General Mohamed, an ethnic Somali highly regarded by both his fellow officers and enlisted personnel, highlights this trend. Moi's choice of Mohamed was particularly welcomed in the military because it meant bypassing another more senior officer who shared Moi's ethnic origin, but who was not well qualified and had an unsavory reputation. In passing over his fellow tribesman, Moi put new luster on his claim of pursuing nontribal military personnel policies.

[redacted]

Despite the Army's demonstrated loyalty and its broadening ethnic base, its claim to professionalism is not compelling. US and British personnel who have participated in regular joint military exercises with Kenyan soldiers are generally unimpressed.

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**Air Force**

As the culprit in the abortive coup, the 2,600-man Air Force is the stepchild of the Kenyan military. Hundreds of officers and enlisted personnel were arrested, convicted, and imprisoned or dismissed from the service in the wake of the rebellion, and Army officers assumed most commands.

[redacted]

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Although it is Kenya's premier service in terms of average educational levels and technical skills, the reorganized force--officially renamed "82 Air Force"--receives less than its fair share of promotions and resources, and morale is poor, according to the US Embassy. Aircraft availability generally is about 50 percent because of spare parts shortages and substandard maintenance, and pilots generally receive little air time. The Air Force also has a poor record in handling the 14 F-5s it received from the United States in 1981; three have crashed as a result of pilot error, two others have sustained serious structural damage, and the remainder generally are used only for flybys on Kenyan holidays.

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**Navy**

The approximately 650-man Navy is essentially a ceremonial force with severely limited military impact and potential. It is overstaffed, overequipped, and ill prepared, according to the US Embassy.

[redacted]

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The Navy's primary mission is to protect Kenya's 320-kilometer littoral economic zone and to discourage coastal smuggling. It is in the process of obtaining two new patrol boats from the United Kingdom at an approximate cost of \$95-110 million. According to US military officials, the purchase exceeds Kenyan requirements and saps defense funds that could be used more effectively elsewhere. [redacted]

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**Security Services**

The General Service Unit (GSU) is a paramilitary internal security force of approximately 1,700 men. The GSU helped the Army suppress the 1982 coup attempt and coordinates with the Directorate of Security and Intelligence (DSI) in providing the President's personal protection. [redacted]

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[redacted] The DSI is charged with carrying out both internal and external intelligence and security functions; its primary mission, however, is ensuring internal security and monitoring domestic dissidents.

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Both the GSU and DSI are elite services within the Kenyan Government bureaucracy. Although under Kenyatta the near-exclusive domain of the Kikuyu, both services are now much more reflective of Kenya's ethnic diversity despite continued Kikuyu overrepresentation in each. Both have repeatedly demonstrated their fealty to Moi. [redacted]

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