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Kenya: Prospects for Stability

Interagency Intelligence Memorandum

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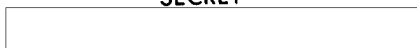
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KENYA: PROSPECTS FOR STABILITY

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FOREWORD

This Interagency Intelligence Memorandum assesses prospects for stability in Kenya over the next five years. It also addresses implications for the United States, including contingencies that could affect US interests.

The Memorandum was prepared under the auspices of the National Intelligence Officer for Africa, with the participation of the Central Intelligence Agency, the Defense Intelligence Agency, and the Bureau of Intelligence and Research, Department of State. It was coordinated with the intelligence organizations of the Departments of the Army and the Air Force, with that of the Marine Corps, and with the Departments of the Treasury and Commerce.

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KEY JUDGMENTS

Traditionally pro-Western Kenya, one of two East African states that permit US access to their military facilities, is experiencing unprecedented political stress brought on largely by an economic decline. The country's mounting problems have aggravated tribal and communal tensions and highlighted other basic problems such as overpopulation, corruption, and the uninspiring and ineffective leadership of President Moi and his administration. A recent coup attempt by Air Force personnel has further weakened the government. The heretofore apolitical Army, which put down the uprising, now has a greater voice in government decisions.

Thus far Moi has made harsh threats in response to the revolt but, outside the Air Force, has not resorted to massive arrests of potential enemies. We believe, however, that he will turn increasingly to repression to maintain his hold on power, in part because of pressure from influential hardliners in the regime. He may buy time by intimidating his opponents, but he risks making new enemies and driving diverse groups to cooperate with one another and to consider extralegal tactics against the government.

Despite Moi's problems, we believe that he has about an even chance to serve out the remaining two years of his term. His prospects are helped by his ability to outmaneuver potential opponents and by the lack of a well-organized dissident movement. Divisions among his opponents—particularly the moderate leaders of the powerful Kikuyu tribe—will give Moi a fairly good chance to win reelection in 1984 if he can prevent a more dramatic economic decline or widespread political unrest. A coup or an assassination would be the most likely cause of his ouster before the election. Under these conditions, we believe the conservative senior military leadership probably would intervene to ensure the succession of a moderate regime.

Over the next five years, we believe, Kenya will encounter increasing instability and a weaker central government no matter who is president. Tensions over food, land, and other scarce resources are certain to intensify because the government cannot reduce significantly the country's annual population growth rate of 4 percent—one of the highest in the world. Economic woes, including a large current account deficit, and record levels of inflation and unemployment will continue

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to plague the country. Furthermore, Kenya's hope of substantial external aid may be damaged by foreign donors' dismay over its lack of financial discipline and increasing instability. International investors may hold back because of growing concern about instability in Kenya following the coup attempt, thereby damaging the country's foreign exchange position.

A budding radical movement may well pose a challenge to Moi or a moderate successor within the next five years. A coup by radicals in the Army similar to the uprisings in Liberia and Ghana is possible, although the opposition of the senior military leaders would continue to weigh against the chances of a radical takeover. Radicals are likely to need considerable time to organize a strong challenge to the present system. Moreover, the leadership and large portions of the general population will still benefit from Kenya's market-oriented system. On balance, therefore, we believe the moderate leadership has a good prospect of remaining in power at least through the period of this assessment.

In the event that Moi or another moderate politician continues to rule Kenya with the backing of conservative military leaders, US interests are likely to be affected in the following respects:

- Nairobi will remain suspicious of the Libyans and Soviets and keep them at arm's length. Kenya will maintain its generally pro-Western stance, but will continue to temper these sentiments to preserve its position as a nonaligned nation. As a result, it will adopt foreign policy positions that occasionally vary from those of the United States.
- Kenya will remain fearful that Somalia—which also permits US access to its facilities—retains irredentist designs on Somali-inhabited northeastern Kenya. Kenyan leaders are overly concerned that the provision of offensive arms to Somalia by the United States could again make the Mogadishu government a threat to Kenya's security. Such a development could prompt Nairobi to reconsider its military relationship with the United States.
- Kenya will continue to seek greater US aid throughout the period of this assessment. On the economic side, Kenyan officials will argue that Washington is not responding adequately to Nairobi's economic needs, and will ask for more assistance. The coup attempt has increased the urgency of Kenya's pleas for greater help. On the military side, the Kenyans will continue to seek assistance and cooperation, but they also will be sensitive

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to the likely negative domestic political costs of too close an identification with the United States, and this will introduce strains into the bilateral relationship.

- Moi's increasing loss of popular support may lead his opponents to intensify their attacks on the bilateral military relationship with the United States. A weakened Kenyan government may react by reducing the level of military cooperation, applying restrictive interpretations to the implementation of the access agreement, or—in the unlikely extreme case—canceling the accord altogether. Kenya also may seek to diversify further its sources of military equipment.

In the less likely event that radical leaders should gain power in Kenya, they probably would adopt a nonaligned policy and seek assistance from both East and West. A radical government almost certainly would move quickly to distance itself from the United States, particularly by canceling the military access agreement. Because there is strong anti-Communist sentiment in Kenya, however, the regime would be unlikely to become a Soviet client state.

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DISCUSSION

Introduction: Coup Attempt Exacerbates Kenya's Problems

1. The unsuccessful coup attempt on 1 August 1982 by Kenyan Air Force personnel reflected disaffection over the weak leadership of President Daniel arap Moi (see figure 1) and his inability to come to grips effectively with Kenya's increasing economic and political problems. The revolt originated in the Air Force because the rapidly expanding force was less disciplined than Kenya's other security services and its better educated personnel were more attuned to radical ideas. Moi is moving to silence dissent and prevent further challenges to his rule, but the coup attempt has led to even higher tensions. These will probably contribute to a further deterioration in Kenya's stability over time.

2. Moi's support had been gradually eroding since he first succeeded the late Jomo Kenyatta in August 1978. Moi inherited the leadership of one of the most prosperous and stable countries in Africa. But his narrow ethnic base and his lack of Kenyatta's charisma and unquestioned authority have hampered his efforts to control escalating political tensions induced largely by overpopulation and basic economic problems, aggravated by adverse external market trends. Moi has contributed to the problems by delaying difficult economic decisions, ignoring domestic problems to concentrate on foreign affairs, and then repressing his critics.

3. Kenya's economic downturn—including food shortages, a high rate of inflation (see table 1), and abnormally low foreign exchange reserves—has resulted in part from external factors such as the high cost of

Figure 1

Daniel arap Moi, President of Kenya

A capable grassroots politician, Daniel arap Moi compensates for his lack of substantive knowledge and higher education with innate political instinct. Because he has learned to survive in the cutthroat atmosphere of tribal politics, he has been near or at the top of the party and government for many years. A member of the minority Kalenjin ethnic group, Moi draws his support primarily from the country's non-Kikuyu ethnic groups and from government workers, the military, and the business community. Moi is strongly pro-West and anti-Communist.

After an education at American mission schools, Moi taught secondary school. During 1960-61 he was chairman of the Kenya African Democratic Union, a minority political party that dissolved in 1964. He was Minister of Education (1961-62), Local Government (1962-64), and Home Affairs (1964-78) before serving as Vice President (1967-78).

Moi has business interests throughout Kenya; he is in silent partnership with many white and Asian businessmen. Widely traveled, Moi has visited the United States several times. He is divorced and has seven children. He was born in 1924 in the Rift Valley province.



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Table 1

Kenya: Economic and Social Indicators

	1975	1976	1977	1978	1979	1980	1981 ^a	1982 ^b
Growth of real gross domestic product (percent)	0.6	5.5	9.5	7.4	4.0	4.0	3.8	5.0
Inflation rate (percent)	19.0	11.4	15.0	17.0	8.0	13.8	15.0	20.0
Population growth rate (percent)	3.4	3.5	3.5	3.5	3.6	4.1	4.1	4.2
Per capita income (current US dollars)	\$237	\$244	\$306	\$348	\$383	\$440	\$395	\$318

^a Estimated.^b Projected.

oil imports and the recession in the West. The principal domestic causes, in addition to expansionary fiscal and monetary policies, include government policies that have stressed high-cost, inefficient import substitution and have discouraged production of food and export crops. Moreover, the prolonged high rate of population growth—now 4 percent—is leading to shortages of arable land and is triggering increasingly frequent disputes among Kenya's tribes. It will be difficult for Moi or any other leader to reverse the economic decline.

US Interests in Kenya

Military Interests

4. Much of Kenya's significance for the United States derives from its strategic location near the Middle East oil-producing countries and the sea lanes through the Indian Ocean and the Red Sea (see figure 2). Kenyan air and naval facilities support normal US peacetime military requirements, providing for maintenance and logistic support for US forces operating in the region. Kenya is, in fact, one of five countries in the Indian Ocean region that allow visits by US nuclear-powered warships.

5. The importance of Kenyan facilities has grown significantly with the increased US presence in the Indian Ocean and the emphasis on contingency planning for the Persian Gulf area. Kenya's existing infrastructure, its previous relative political stability, and its pro-Western foreign policy orientation have made it the most attractive of the alternative locations for the deployment of US forces. US port visits to Mombasa, which numbered six in 1978, rose to a high of 39 in 1980, but dropped to 15 in 1981. The number of US

military flights transiting Kenya reached a high of more than 30 per month in 1981.

6. The military access agreement signed in 1980, formalizing Kenyan-US military cooperation, authorizes US access to Kenyan air and naval facilities. In addition, it provides for the rapid staging of US forces into the area, sanctions joint military exercises, and permits the United States to improve both air and naval facilities to meet anticipated needs. When improvements are completed, the port of Mombasa will be able to accommodate all types of US naval ships, including aircraft carriers. The airfield at Mombasa will be capable of supporting US air operations involving large US transport aircraft, up to and including the C-141.

Economic and Political Ties

7. Kenya is important to the United States also because it has maintained moderate policies, a market-oriented economy, and, by African standards, a relatively competitive political system, while playing a stabilizing role in the unsettled East African region. Thus far, however, Nairobi has often appeared out of step with the mainstream of African opinion, and Kenya's example has not been widely emulated. Its ability to serve as a model of success for other African countries, moreover, is being undermined by increasing economic difficulties and political problems under Moi's administration.

8. These problems cause Moi to look to the United States for substantial economic and security aid. The recent coup attempt has made him particularly anx-

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Figure 2
Kenya and Its Regional Neighbors



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ious to gain new aid commitments as he tries to strengthen his domestic position. He believes that Kenya has been Washington's most stalwart ally in Africa. Kenyan officials have emphasized to the US Embassy that they have been subjected to considerable criticism from other African countries for supporting US policies, and have maintained that Kenya is not receiving its share of US aid. Kenya wants greater US aid in part to avoid making further hard decisions about restructuring the economy and belt tightening within the government.

9. Moi views the United States as Kenya's principal protector against possible Libyan or Soviet subversion and regional instability. He believes his acceptance of the US military access agreement has given Washington a special obligation to help Kenya. For the most part, the access agreement has stirred little controversy among the generally pro-US Kenyan population. To avoid damaging his relations with African and other nonaligned countries, however, Moi wants to minimize publicity about the arrangement. He is prepared to consider proposals for further use of Kenyan facilities by US forces under the agreement so long as they do not gain much international attention.

US-Kenyan Trade

10. Since the early 1970s the United States has experienced substantial growth in its trade with Kenya, with total volume increasing from \$51 million in 1972 to approximately \$203 million in 1981. In 1980 the United States was Kenya's fifth-largest supplier, after the United Kingdom, Saudi Arabia, Japan, and West Germany. US exports to Kenya consist mainly of cereals, agricultural products, construction machinery, and transport equipment. Primary US imports from Kenya are coffee and tea—which account for approximately 71 percent of total US imports from Kenya—pyrethrum (used in insecticide), and other tropical products. Current US private direct investment in Kenya is estimated at \$315 million, primarily in manufacturing, sales, and service facilities. There are more than 200 US firms with resident representation in Kenya.

11. While Kenya has offered one of the more attractive investment climates in Africa and continues to welcome foreign business, there are a variety of impediments to the operations of established investors.

All imports are licensed, and approval procedures are cumbersome and often protracted. Investors therefore must stock large inventories of goods, materials, and spare parts. The added costs of such inventories are often unrecoverable because of rigid price controls, making some operations unprofitable.

Economic and Social Trends

The Economic Decline

12. Kenya's economic decline during Moi's presidency contrasts sharply with the average annual growth of 6.5 percent under Kenyatta, a record in black Africa exceeded only by Ivory Coast. The once-thriving agricultural sector has been hard hit by reduced earnings for export crops and a combination of bad weather and inappropriate government policies that have lowered per capita food production. Reduced world prices for coffee—Kenya's largest agricultural export—and other cash crops have kept foreign exchange earnings too low to pay for food and other imports needed for economic growth. Drought has contributed to periodic food shortages in recent years. The government in effect has encouraged increased food imports by paying low prices to food producers (see table 2) in an effort to appease consumers, and by insisting that all agricultural goods be marketed through inefficient public corporations.

13. Kenya's reduced agricultural export revenues have been accompanied by record import bills that have cut foreign exchange reserves to less than a month's worth of imports. The surge in world oil prices during the late 1970s and the rising imports have sharply increased foreign exchange outlays. Moreover, the important tourist industry has been hurt by the recession in the West and increased transportation costs, as well as government red tape. As a result, Nairobi's current account deficit reached nearly \$1 billion in 1980.

14. The high current account deficit (see table 3) forced Moi to restrict imports, but this contributed to a sharp slowdown in business activity. The lack of timely deliveries of spare parts has forced a number of firms to close or substantially reduce production.

15. The industrial recession and large government budget deficits have led to a record rate of inflation. Inflation is now officially more than 20 percent, and,

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Table 2

Kenya: Average Gross On-Farm Prices for Selected Crops, 1976-80^a
(US dollars per 100 kilograms except as indicated)

Commodity	1975	1976	1977	1978	1979	1980
Coffee	146	302	480	365	380	355
Tea	110	126	260	205	183	214
Sisal	48	28	36	35	48	55
Pyrethrum extract equivalent ^b	61	59	68	93	135	161
Seed cotton	26	25	35	42	43	46
Maize	10	9	11	11	9	13
Sugarcane ^c	12	13	15	17	18	18
Rice paddy	14	16	16	19	20	20
Wheat	14	14	16	17	19	22

^a Mombasa f.o.b. price less freight to Mombasa; prices are for calendar year deliveries and reflect actual payouts (source: official Kenyan statistics).

^b Price per kilogram.

^c Price per ton.

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Table 3

Kenya: Trade and Financial Indicators
(million US dollars)

	1975	1976	1977	1978	1979	1980	1981
Trade balance	-221	-59	-6	-697	-544	-1,154	-903
Exports, f.o.b.	634	746	1,123	957	1,018	1,243	1,023
Imports, f.o.b.	-855	-805	-1,129	-1,654	-1,562	-2,397	-1,926
Net services and transfers	-10	-62	46	35	67	169	165
Current account	-231	-121	40	-662	-477	-985	-738
Foreign exchange reserves	169	272	504	338	520	466	216
External debt	570	700	920	1,085	1,435	1,745	2,095
Debt service ratio (percent)	3.6	4.4	3.7	7.0	6.6	8.9	14.0

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according to the US Embassy in Nairobi, it could jump to more than 30 percent this year. The rapid rate of population growth and a decline in employment opportunities have led to a high level of unemployment. The Embassy estimates that urban unemployment may exceed 30 percent this year. These factors have contributed to a dramatic upsurge in crime over the last few years.

16. The recent coup attempt may exacerbate these problems. Although normal economic activity resumed within a few days, many businesses in Nairobi were hit by extensive looting. Government officials estimate replacement costs at nearly \$40 million. The incident has made businessmen more cautious about investing their money in plant expansion or other long-term options. Particularly wary will be the important Asian business community, which suffered the most in material losses during the coup attempt. The incident

also will damage the country's foreign exchange position if tourism declines further and international investors hold back to see how the internal situation unfolds.

Government Attempts at Reform

17. The deteriorating economic situation has made Moi more receptive to a number of important reforms. To stimulate food production, his government finally instituted a substantial increase in producer prices to farmers earlier this year and is studying changes in marketing. Higher prices should benefit the 80 percent of the country's population involved in the agricultural sector, but will also translate into increased food bills for the rapidly increasing poor urban population.

18. Although increased production may reduce the level of food imports in the short term, the outlook

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over the longer term is less favorable without significant changes in government policy. Because less than 20 percent of Kenya's land is arable (see figure 3) and little undeveloped high-quality land remains, agricultural production during the coming years will be increasingly based on the use of marginal lands that are highly susceptible to drought. Efforts to develop an irrigation system are hampered by the lack of nearby sources of surface water and the prohibitive cost of bringing water over long distances. Nairobi must make substantial improvements in land use, in the rural road network, and in support services such as agricultural credits for purchasing modern machinery, fertilizers, and other essentials. To be truly effective these measures will require realistic pricing and marketing policies.

19. To improve its balance-of-payments situation, the government has restricted imports by delaying the processing of import licenses and rationing foreign exchange allocations. These actions have had a negative effect on industrial production and employment, however, leading to public pressure that has made the government reluctant to implement more far-reaching measures. Moreover, a currency devaluation last year boosted import prices in domestic terms by nearly 20 percent.

20. The rise in import costs has not been offset by a similar boost in exports as anticipated by Nairobi. Exports of coffee and tea—Kenya's principal agricultural foreign exchange earners—are not likely to improve as long as international prices remain depressed. Export receipts also will be affected by the government's recent decision to reduce crude oil imports. During the past several years, Kenya has earned substantial revenue by providing about 60,000 barrels per day of refined oil products from its refinery at Mombasa to neighboring African countries.

21. Moi's most critical economic problem is how to restrain the high level of government expenditures. Last year's budget deficit reached nearly \$600 million, reflecting continued heavy spending on defense, education, health, and consumer subsidies. His attempt to impose budgetary controls, particularly on inefficient "parastatal" corporations, has not worked well. Moi probably will continue to tolerate financial abuses by the "parastatals" because he cannot afford to alienate powerful political interests associated with the Kenyatta family that still control many of the corporations.

22. An average annual increase of 30 percent in real terms in defense expenditures since the mid-1970s also has placed an increasingly heavy burden on the budget. Outlays have leveled off during the past two years as the government tries to curtail expenditures. But Nairobi's concern about regional tensions and the increased threat of domestic unrest following the coup attempt make any substantial reduction in defense spending unlikely.

23. As part of an agreement signed with the International Monetary Fund late last year, Moi agreed to cut this year's budget deficit by nearly 40 percent. He hopes to do this primarily by limiting spending on government salaries, education, foreign travel, and defense. The government also is bringing the entire budgetary process under closer scrutiny by requiring ministries to submit monthly reports of their revenues and expenditures.

24. Despite attempts at financial discipline, Kenya has been unable to meet the IMF guidelines on government expenditures for 1982. Nairobi's ability to restrain government salaries further is doubtful following a general wage increase announced shortly after the coup attempt. The accompanying boost in food prices will almost certainly generate pressure for even higher salaries. Moi also will come under pressure to boost government hirings to reduce the record high unemployment rate.

25. Moi is counting on assistance from the United States and other Western countries, as well as a new arrangement with the IMF, to bail Kenya out of its economic difficulties and lay the groundwork for financial stability (see tables 4 and 5). He has asked for more than \$300 million from Western donors—including \$100 million from the US—in emergency balance-of-payments aid to recover from the effects of the coup attempt. The US Embassy estimates that Nairobi will need about \$2 billion in foreign assistance over the next three years. Prospects for securing funds of this magnitude are not promising. Even if large amounts of foreign aid materialize, we believe that Nairobi will come under growing pressure from urban consumers to direct money slated for development programs into purchasing foreign goods.

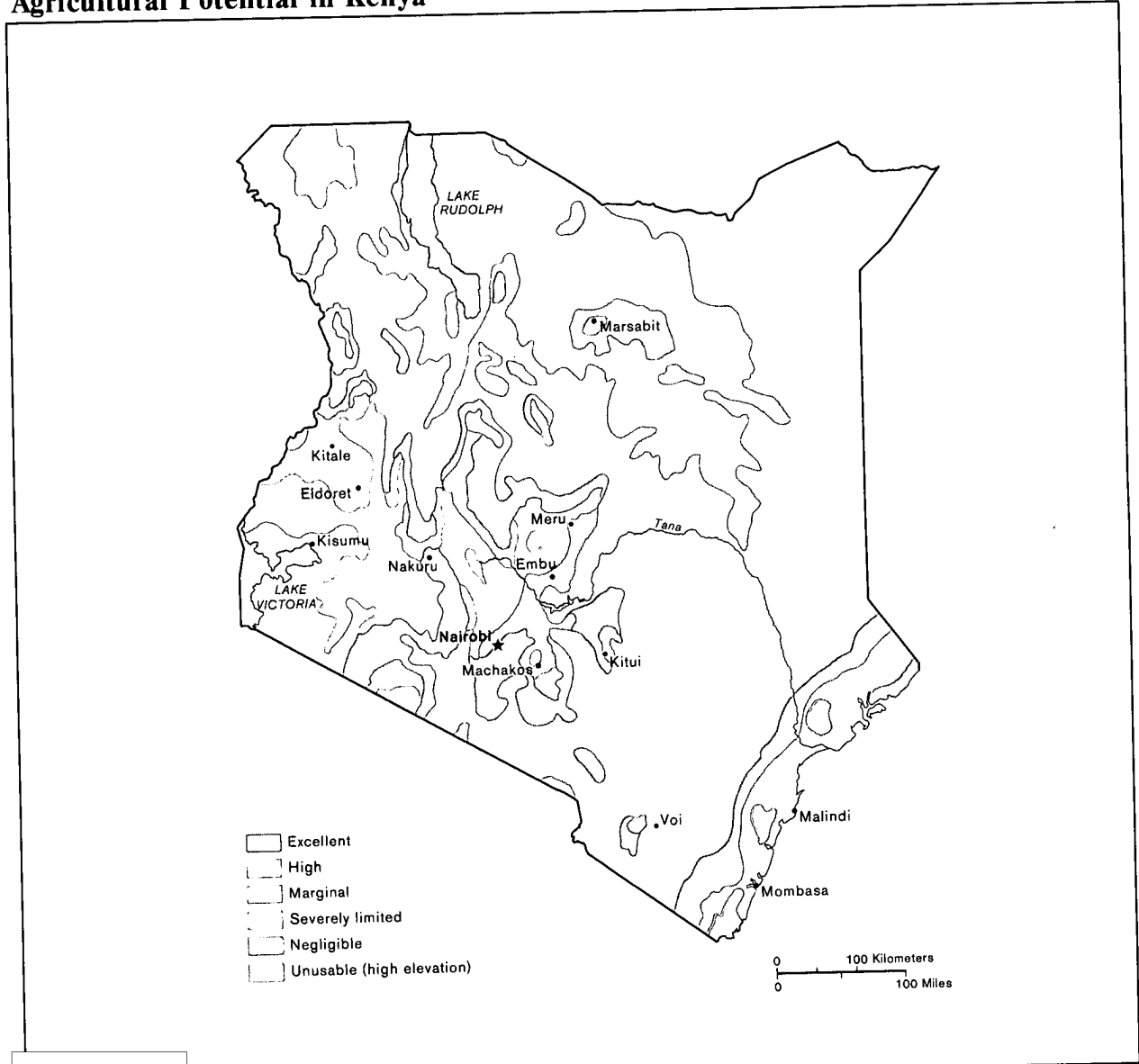
The Corruption Issue

26. Illegal financial dealings by government officials have long been a feature of the Kenyan system,

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Figure 3
Agricultural Potential in Kenya



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Table 4
Kenya: US Military and Economic Aid
(million US dollars)

	1981	1982	1983 ^a
Military	11.55	33.05	66.50
FMS ^b	6.00	22.00	35.00
ESF ^c	5.50	10.00	30.00
IMET ^d	0.05	1.05	1.50
Economic	41.20	43.60	46.00
Projected Aid	14.80	24.30	28.00
PL480 Food	26.40	19.30	18.00
Peace Corps	2.20	2.00	2.00
Total	54.95	78.65	114.50

^a Programed^b Foreign Military Sales^c Economic Support Fund (security assistance)^d Military Training

but corruption increasingly has gained public attention under Moi's government. When the economy was healthy during the Kenyatta era such practices were more easily tolerated. Although it is unclear whether corruption has become more widespread during Moi's administration, he is getting more heat from critics, who charge the illegal transactions demonstrate his failure to deal with the deteriorating economic situation.

27. Moi has spoken out publicly against corruption, but he can do little else without exposing important officials whose political support he needs. Instead of replacing two cabinet ministers implicated in a widely publicized bank scandal, for example, Moi warned the press and dissident politicians to stop discussing the case.

28. The continuing economic difficulties will add to Moi's problems in dealing with the corruption issue.

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Table 5
Kenya: Bilateral and Multilateral Aid, 1975-80 ^a
(million US dollars)

	1975	1976	1977	1978	1979	1980
Total ODA bilateral assistance	117	150	138	278	302	292
Of which, major donors:						
Denmark	9	10	12	15	17	18
West Germany	19	13	19	41	70	36
The Netherlands	11	15	14	24	28	48
Japan	7	13	5	12	36	28
Norway	9	9	13	13	19	21
Sweden	19	22	18	44	24	28
United Kingdom	5	29	23	49	56	49
United States	7	13	13	12	17	40
Total ODA multilateral assistance	23	25	42	61	67	120
European Economic Community	—	8	6	17	11	14
International Development Agency	7	13	17	16	21	71
IMF Trust Fund	—	—	6	19	19	16
Other	16	4	13	9	16	19
Total OOF assistance	74	97	89	94	92	98
Total official assistance	214	272	269	433	461	510
Less repayments	9	25	51	55	46	46
Net disbursement	205	247	218	378	415	464

^a Includes official development assistance (ODA) and other official flows (OOF). ODA refers to funds provided by government institutions on concessional terms for project development; at least 25 percent of the aid must be grants. OOF are official transactions for development purposes with less than 25 percent of the total in grants.

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While he works on budget cuts, his opponents will focus on kickbacks as a major reason for excessive government spending. At the same time, civil servants—faced with shrinking real incomes—will be increasingly tempted to engage in illegal financial deals.

Public Reaction to the Economic Decline

29. Despite the economic pinch, many Kenyans realize their living standards are still considerably better than those of their neighbors. Kenya's per capita income of slightly more than \$300 is the highest in East Africa. Although criticism of the government's performance is increasing, few Kenyans are questioning the country's basic free enterprise system thus far. No popular spokesman for the "have nots" has emerged to pose a serious challenge to Moi's policies.

30. Moi's fear of public reaction, however, is threatening more comprehensive reforms. Rising criticism over high inflation and unemployment and restrictions on the availability of imported goods to the public will make it difficult for him to stick with even those measures already adopted. Influential businessmen are particularly upset over irregularities in import licensing procedures.

31. Popular discontent will soon become even more widespread, if the economic situation continues to deteriorate. A repeat of the government's late distribution of paychecks early this year could seriously damage Moi's position with civil servants—an important interest group. Neither can Moi give in to what we expect will be heavy pressure from urban workers to grant additional pay hikes.

Population Pressure

32. Over the long term, the government stands little chance of promoting a sustained economic recovery unless it can slow down the rapid rate of population growth—one of the fastest growth rates in the world. According to a study by the University of Nairobi, the rate will rise to more than 4.3 percent in the mid-1980s. The impact of this increase will be felt most heavily in the countryside. Kenya needs to double food production within the next 20 years just to regain self-sufficiency. This will be difficult to achieve unless increasing amounts of marginal land are brought into production.

33. Population pressures already are triggering increasingly frequent disputes over scarce resources—especially land—that could in time lead to widespread unrest and cause difficult problems for the government. Ethnic tensions are growing as neighboring tribal groups encroach on each other's territory. Within the last year, land disputes between important tribes have resulted in violent clashes and a number of deaths.

34. The increasing scarcity of land in rural areas is one of the causes of rapid urbanization and a high rate of urban unemployment. The population of Kenya's cities is increasing at about twice the rate for the country as a whole (see figure 4), and the rate may be accelerating. In several recent cases, officials in urban areas have caused greater tension by forcefully removing squatters.

35. Efforts to reduce population growth have had little impact because most Kenyans value large families. Rural women, who are responsible for cultivation as well as household chores, need children to help with heavy workloads. Many Kenyans believe that having a large number of children increases chances that one will succeed and bring economic benefits to the entire group. Moreover, tribal power is viewed as a function of population size, and any program to control fertility is likely to be perceived by Kenyans as an effort to weaken their particular group.

36. Kenyan officials are beginning to devote increased attention to developing a family planning program, but it will take many years before population growth can be reduced significantly. Moi publicly has emphasized the need for reduced population growth, but he recognizes that he cannot act forcefully on this sensitive issue without political risk. Official government efforts are limited largely to operating a small number of understaffed and underequipped family planning clinics that stress birth spacing.

The Political Situation

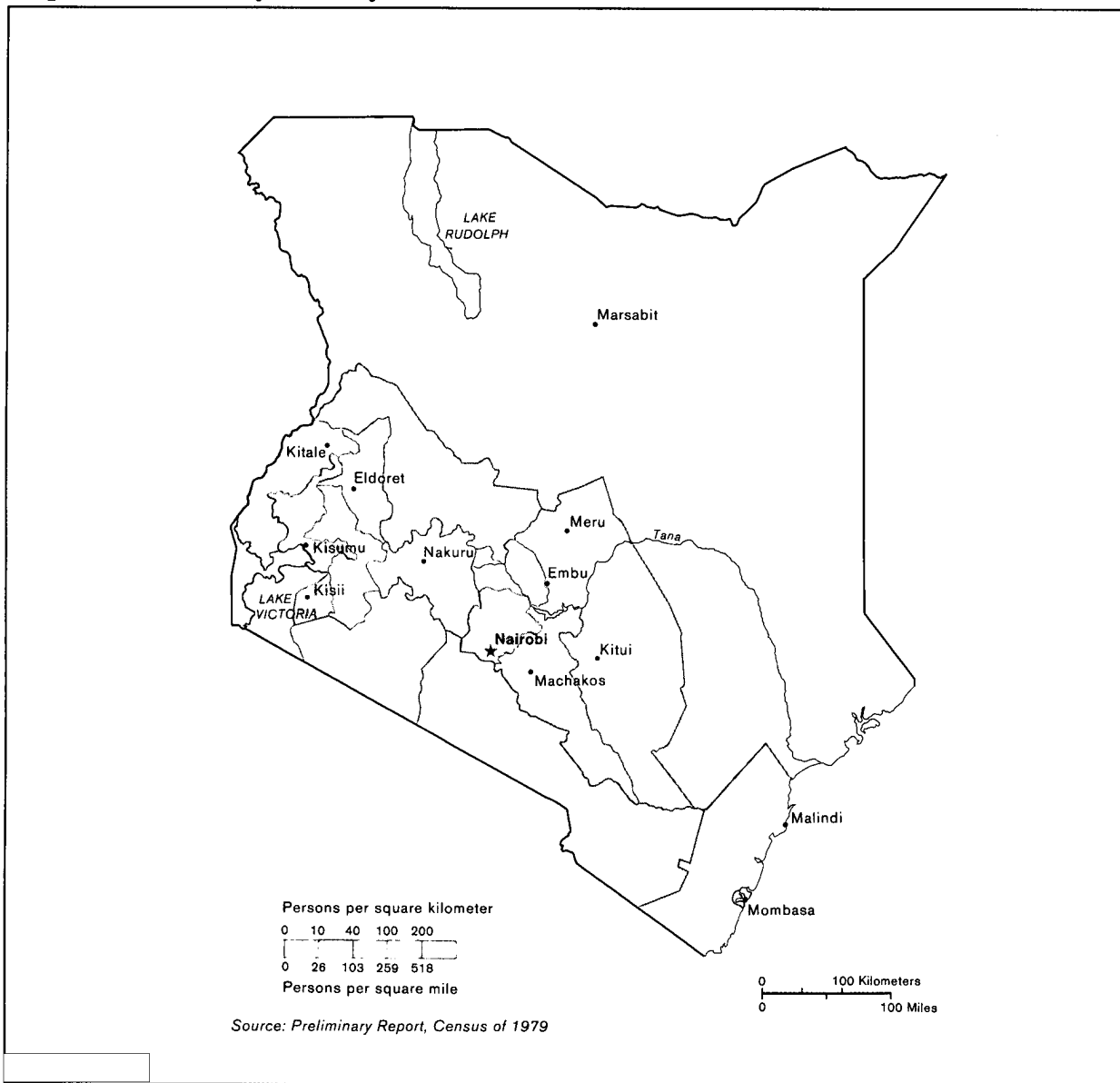
Effects of the Coup Attempt

37. The Air Force junior officers and enlisted men who tried to oust Moi apparently were not part of any broad plot against the government. Available evidence indicates that a small group of Army personnel also participated. Most of the Army remained loyal and, together with the paramilitary General Service Unit

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Figure 4
Population Density in Kenya



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(GSU), put down the coup. At least a few security force commanders appear to have delayed committing their units to the government's defense until they determined the extent of support for the coup. Outside the military, some students at the University of Nairobi joined the Air Force dissidents. The urban poor took advantage of the breakdown in law and order in Nairobi to engage in looting, but the general population did not actively support the coup attempt.

38. Moi's actions in dealing with the uprising have focused almost entirely on preventing a recurrence, rather than on seeking solutions to the underlying problems that led to the revolt. By closing the university indefinitely and continuing his recent policy of jailing domestic critics, he may have intimidated opponents and bought himself some time. Moi also hopes he has headed off trouble from within the regime by replacing several senior security officials whose loyalty was suspect. Moi has purged the Air Force and ordered its reorganization, a slow process that will severely reduce Air Force capabilities. He has been unable, however, to prevent the coup attempt from heightening tensions and increasing competition for influence among important interest groups.

Military Attitudes

39. Kenya's military leadership emerged from the coup attempt as a major force in Moi's government, ending the traditional apolitical posture of the military.¹ The country's senior military leader (General Mulinge) and Army commanders reportedly have urged that Moi replace a number of political and security officials. They appear more interested, however, in settling old scores by removing their enemies from power than in trying to improve the efficiency of the government.

40. The coup attempt and resultant growth in military influence increases the possibility that the Army might take control of the government, but Kenya's senior commanders probably would be reluctant to do so. They would be unlikely to act unless Moi and his civilian advisers appeared to have lost control of the situation. Because of their lack of political experience and necessary dependence on the civil service, military leaders probably would want to bring

¹Annex A discusses the military and security forces.

civilian politicians back into the government at an early stage. Senior military officers might well turn the administration back to civilians quickly if they thought stability could be maintained.

41. Middle-level and junior officers and enlisted men, who are suffering more than their superiors from the economic decline, may be more prone to consider moving against the government. The low-ranking Air Force personnel who staged the recent uprising apparently were dissatisfied with their living conditions and—among other grievances—were jealous of the advantages enjoyed by their superiors. There also have been some indications of economic discontent within the generally more conservative Army. Moreover, some junior officers have complained that Moi has unfairly promoted members of his Kalenjin ethnic group over officers from other tribes. The Army has long been dominated by Kamba and Kikuyu tribesmen, but Moi in fact has put several Kalenjin into senior positions.

42. Moi is well aware of his increased need to keep the military happy. He already has made some of the personnel changes recommended by the military leadership and continues to maintain close contact with General Mulinge and the Army high command.

43. Moi probably will make further changes in the security services in an effort to ensure greater loyalty. Moi probably at least will try to eliminate members of the Luo and Kikuyu tribes—who he believes were responsible for the coup attempt—from sensitive positions in the military. The first armed forces promotion list since the coup attempt, however, did not systematically discriminate against Kikuyu or Luo officers. Another of his targets is the GSU. Moi has replaced the GSU commander, but he probably still distrusts the 2,000-man internal security force because it has been dominated by the Kikuyu.

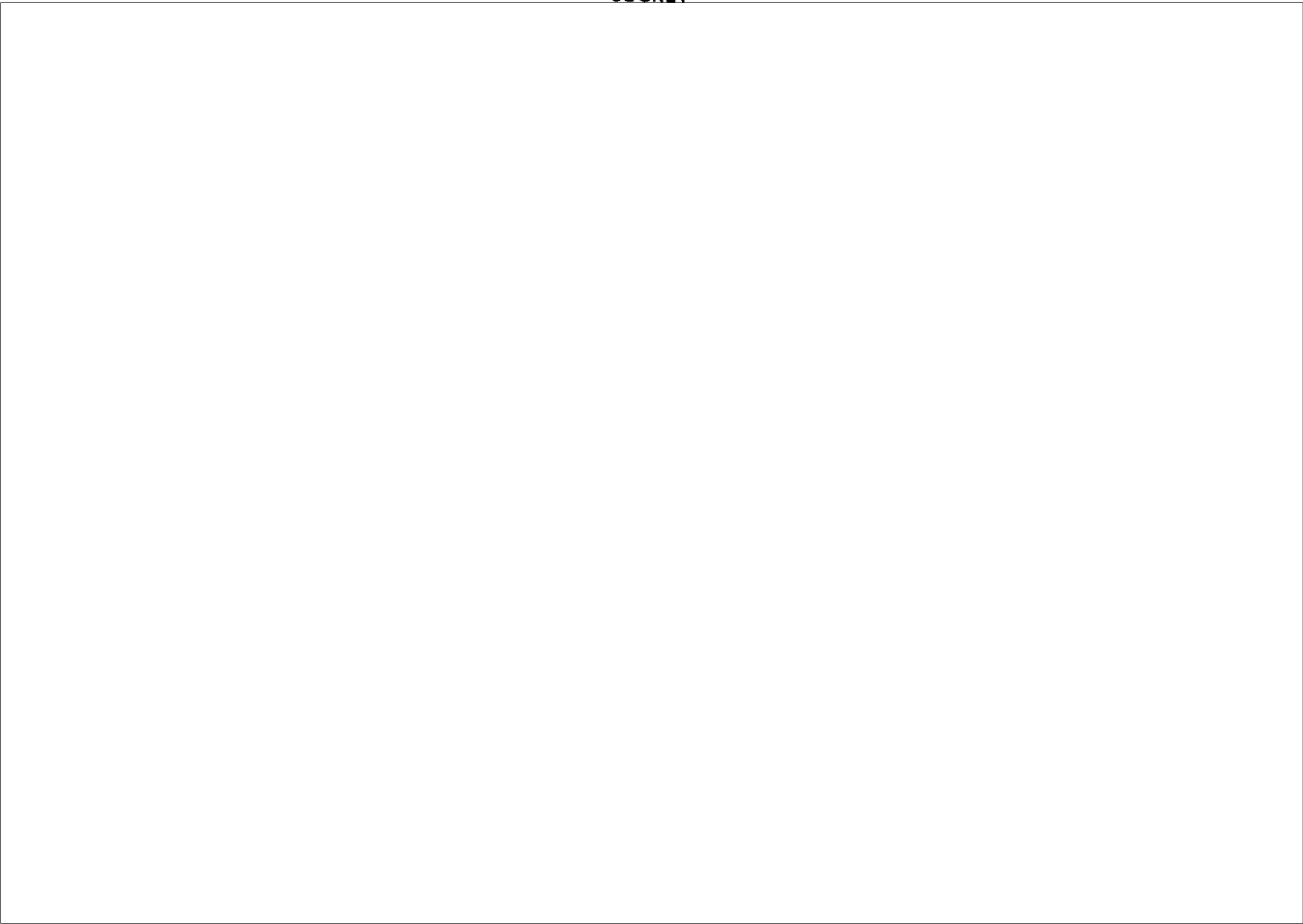
44. Moi may try to appease the Army rank and file by granting them greater economic benefits. At a minimum, he probably will ensure that troops are paid on time as he did during a financial squeeze earlier this year, while some civilian civil servants had their paychecks delayed.

Rivalry for Succession

45. The coup attempt and erosion of Moi's support since he assumed office have contributed to intensified

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rivalry among other members of the leadership. The rivalry has centered mainly on Vice President Kibaki and Constitutional Affairs Minister Njonjo, who have been two of the most powerful members of his administration [redacted]. Both men have important weaknesses, and their positions may have been hurt by their failure to be on the scene and to act decisively at the time of the coup attempt. This may open up opportunities for other members of Moi's administration, but none currently has the national stature of Kibaki or Njonjo, who over the short term remain the leading contenders within the civilian leadership to succeed Moi.

46. Neither Kibaki nor Njonjo is challenging Moi directly, but each apparently hopes to be in position to become president if Moi is further weakened by the time of the next national election—scheduled for 1984. Kibaki and Njonjo belong to different factions of Kenya's largest tribe, the Kikuyu. Their rivalry is based mainly on personal rather than substantive policy differences—Kibaki, Njonjo, and almost all of

the Kenya leadership support the present economic system and pro-Western foreign policy. But the dispute is damaging government efficiency by diverting the leadership from other pressing problems.

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47. The split between Kibaki and Njonjo intensified last year over Njonjo's efforts to grab more power. Njonjo sought to arrange his election to replace Kibaki as vice president of the ruling Kenya African National Union (KANU) party. This would enable Njonjo to move ahead of Kibaki as the heir apparent to Moi. Njonjo, who has long been one of Moi's closest advisers, is a shrewd politician, but he has made many enemies with his aggressive attempts to strengthen his position. Njonjo draws considerable strength from his years of service in the Cabinet since independence. He has placed and developed allies throughout the bureaucracy [redacted].

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[redacted] Although a member of the powerful Kiambu (southern) branch of the Kikuyu tribe, Njonjo has never had much tribal

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support, and his recent efforts to curry favor among the Kikuyu apparently have not borne fruit.

48. Njonjo currently is trying to succeed a recently deceased Kiambu political figure as the leader of an important local KANU branch, but he faces strong opposition from traditional leaders of the faction. A failure to win the post would be a serious blow to Njonjo's aspirations for power.

49. Kibaki is not close to Moi, but he enjoys significant support from his Nyeri (northern) branch of the Kikuyu tribe, and enjoys a popular national following that crosses tribal lines. Although he sometimes appears reluctant to engage in political infighting, Kibaki responded forcefully to Njonjo's bid for more power last year, and gained some new support from leaders of the Kiambu Kikuyu faction. Kibaki also has made preliminary contacts about a possible alliance with the Luo—politically the country's second most important tribe.

50. Moi still needs cooperation from both Kibaki and Njonjo. He cannot afford to alienate Kibaki's important northern Kikuyu backers and values Njonjo's astute political advice and aggressiveness, which have served Moi well in the past. Moi has tried to use the split to keep the Kikuyu from uniting against him. (Table 6 shows the tribal origins of Cabinet members.) Kibaki and Njonjo are continuing to maneuver against one another. Their rivalry is likely to intensify even further if Moi's position continues to decline as the 1984 election approaches.

Tribal Dissension

51. The Kibaki-Njonjo rivalry has fanned Kikuyu aspirations for the presidency, a position many Kikuyu believe should be held by a member of their traditionally preeminent tribe. Moi's weakened position in the wake of the coup attempt probably has further whetted the Kikuyu's appetite for power. The Kikuyu, who

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Table 6

Kenya: Members of the Cabinet

Name and Portfolio	Tribe	Date of Birth	Highest Level of Education
BIWOTT, Kiprono Nicholas Regional Development, Science and Technology	Kalenjin	About 1941	Degree in Economics, Melbourne University, Australia
KAMERE, Joseph Attorney General	Kikuyu (Kiambu)	1926	Attended Lincoln's Inn, London, and was called to the bar in 1965
KAMOTHO, John Joseph Higher Education	Kikuyu (Muranga)	1942	M.A., Public Administration and Local Government Affairs, Birmingham University
KARIUKI, Godfrey Githa Lands, Settlements, and Physical Planning	Kikuyu (Nyeri)	1937	Diploma from the British Tutorial College
KIBAKI, Mwai Vice President and Minister for Home Affairs	Kikuyu (Nyeri)	1931	B.A. (Honors), Economics, Political Science and History, Makerere University; B.S., Public Finance, London School of Economics
KOSGEY, Henry K. Transportation and Communications	Kalenjin	?	?
MAGUGU, Arthur Kinyanyui Finance	Kikuyu (Kiambu)	1935	B.A., La Verne College, California; studied international law in Sweden
MANGO, Appolling Mukasa (Dr.) Health	Luhya	1936	B.S., St. Benedict's College, Kansas; M.S., Public Health, Ph.D., Environmental Health Science (Parasitology), Michigan State
MATANO, Robert Stanley Cooperative Development	Digo	1925	Diploma in Education, from Makerere University
MBATHI, Titus Labor	Kamba	1929	B.A. (Honors) and an M.A., Madras University; Fulbright scholarship to study in the United States; attended New York University and received a Master's degree in Economics
M'MBIJIWE, Gilbert Kabere Energy	Meru	1929	B.S., Agriculture, Reading University
MUDAVADI, Moses B. Culture and Social Services	Luhya	1923	Diploma in Education from Leeds University in Britain; attended Harvard University
MWAMUNGA, Eliud Timothy Information and Broadcasting	Taita	1935	Diploma in Education from Dar es Salaam University, Tanzania; received an LL.B.
MWANGALE, W. Elijah Tourism	Luhya	1939	Received a Master's degree in Agricultural Science from a US university
NGEI, Paul Livestock Development	Kamba	1923	Makerere University
NG'ENO, Jonathan Basic Education	Kalenjin	1929	Attended Greenvale College in the United States; M.A. and Ph.D. in Political Science, Southern Illinois University
NJONJO, Charles Constitutional Affairs	Kikuyu (Kiambu)	1920	Attended King's College, Budo, Uganda; Fort Hare University, South Africa; Exeter University, England; London School of Economics; called to the bar, Gray's Inn, London
NYAGAH, Jeremiah Joseph Water Development	Embu	1923	Makerere University; Oxford University; diploma in Education
OKWANYO, John Henry Commerce	Luo	1928	Medical Training School at the King George VI Hospital (now Kenyatta Hospital)
OLOITIPITIP, Stanley S.O. Local Government	Masai	1924	High school
OMAMO, William Odongo Environment and Natural Resources	Luo	1929	B.S., Agricultural College, Madras, India; M.S., Agricultural College, Lahore, Pakistan; attended Oregon University
OMANGA, John Andrew Industry	Kisii	1932	Holy Ghost College, Uganda; Makerere University, B.A. in Economics; attended Tata Institute of Social Science, Bombay, received B.A., M.A., and a diploma in Social Service Administration
ONYONKA, Zacharia Teodore Economic Planning and Development	Kisii	1941	Inter-American University, Puerto Rico; Syracuse University, where he earned an M.A. and a Ph.D. in Economics
OUKO, Robert John Foreign Affairs	Luo	1932	B.A. in Public Administration and Political Science from Addis Ababa University
RUBIA, Charles Works and Housing	Kikuyu (Muranga)	1923	Two-year postmaster's course in Dar es Salaam; attended courses in parliamentary procedures and local and central government at Exeter University, England
WAIYAKI, Frederick L. (Dr.) Agriculture	Kikuyu (Kiambu)	1923	Medical education at St. Andrew's University (Scotland) and in Sweden

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Table 7

Ethnic Representation in Kenya
(percent)

Tribe	Population (1979 Census)	Cabinet	Assistant Ministers	Parliament	Permanent Secretaries and Provincial Commissioners
Kikuyu	21	23	18	20	41
Luhya	14	10	9	10	10
Luo	13	6	4	10	7
Kamba	11	8	7	9	12
Kalenjin	11	13	11	11	14
Kisii	6	4	2	5	5
Meru	6	4	4	4	5
Mijikenda	5	5	5	5	0
Masai	2	6	5	4	0
All others	11	21	35	22	6

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make up about 20 percent of the population (see table 7 and figure 7), had a dominant political and economic position during Kenyatta's presidency and have maintained their economic power since Moi assumed office. The Kikuyu are also strong because of their preponderant position in the bureaucracy.

52. Moi's cautious attempts to curtail Kikuyu influence have not been very successful and have increased the tribe's resentment of him. He also has made some efforts to advance the fortunes of his own ethnic group by appointing more Kalenjin to high-level civilian and military positions. He ordered the abolition of the country's tribal associations, a move directed primarily at the influential Kikuyu association. Although this action was popular with some smaller tribes, Kikuyu leaders continue to exercise political and economic power through other organizations. There are indications that Moi believes Kikuyu leaders were involved in the coup plot, but his position would be seriously threatened if he moved forcefully against the tribe.

53. The role of Luo Air Force personnel in the coup attempt probably has ended any chance that Moi will seek renewed cooperation with that tribe's leadership. He suspects that Luo political figures were involved in planning the uprising and has replaced a few Luo officials of questionable loyalty with other Luo who have little support in their home region. Luo critics of the government have been a particular target of security officials since the coup attempt.

54. Until last year, Moi tried to court the Luo in an effort to use them as a counter to the Kikuyu. Moi attempted to exploit traditional Luo resentment of Kikuyu dominance, which was reinforced in 1969 when Kenyatta banned an embryonic opposition party led by his former Vice President, Oginga Odinga, and other Luo politicians. Odinga and his colleagues were jailed briefly and remained inactive politically until Moi gave several of them government sinecures.

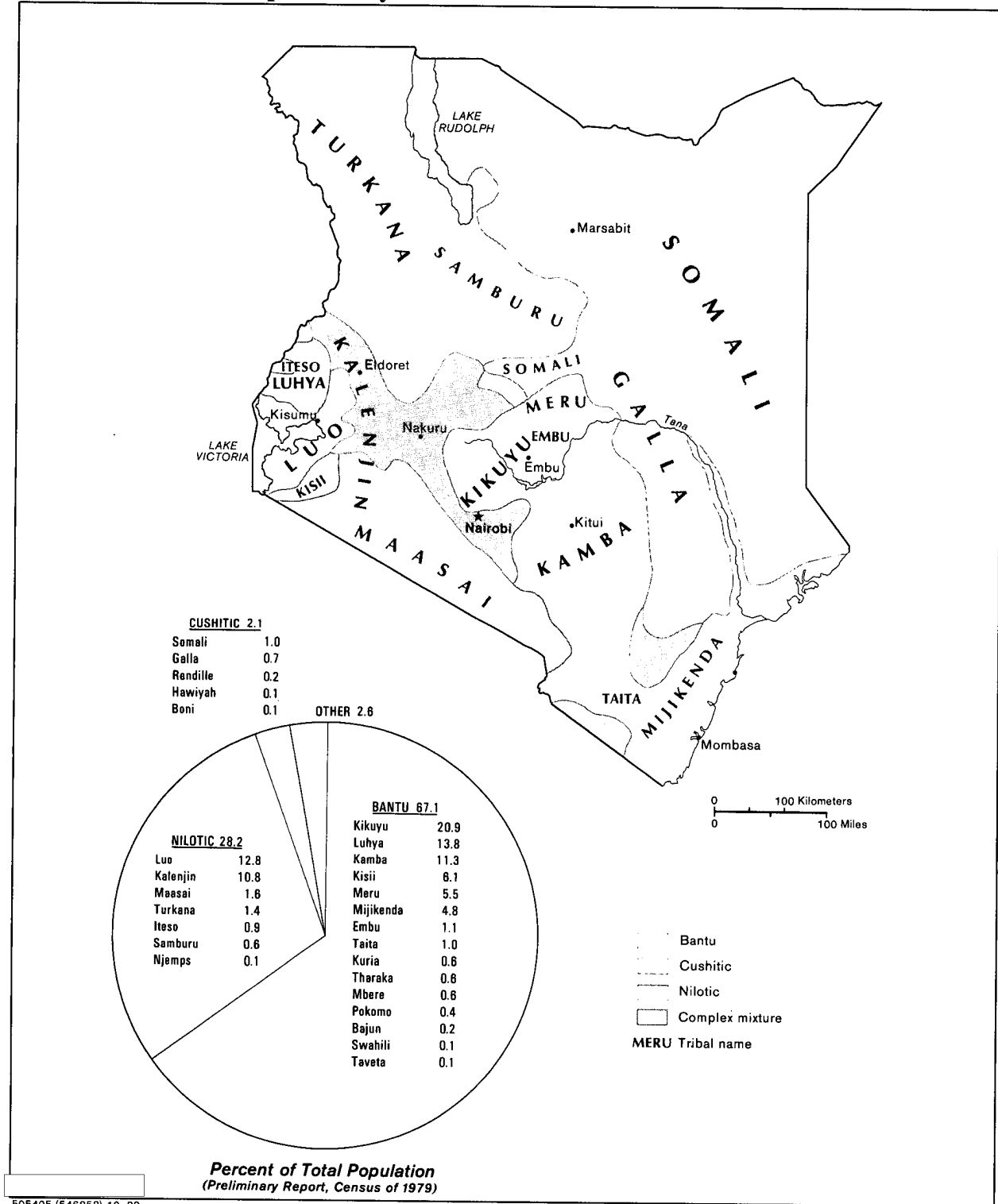
55. Last year, however, Moi angered many Luo by denying Odinga—still the preeminent Luo political leader—official permission to contest a byelection for the National Assembly, apparently because he did not trust the outspoken Odinga. Moi this year had Odinga expelled from the ruling party after the Luo leader began a public campaign attacking Moi's economic performance and the US military access agreement with Kenya. Although Odinga has had a history of contacts with Communist powers, it is not clear whether he had foreign support or encouragement for his campaign.

56. Odinga and his Luo colleagues do not represent a serious threat to Moi by themselves. But they could add to his problems if they join with other disaffected groups—a move that could be prompted by a harsh government crackdown on the tribe in the wake of the coup attempt. Despite their contacts with Kibaki, the Luo leaders probably would be reluctant to ally with him because of their concern over a resurgence of

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Figure 7
Ethnolinguistic Groups in Kenya



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Kikuyu political influence. They would prefer Kibaki to Njonjo, however, because of the latter's involvement as Attorney General in the jailing of Odinga and other Luo leaders in the late 1960s. A Luo-Kikuyu alliance, although unlikely, would be a major threat to Moi's position.

Students and Labor

57. Despite the participation of some University of Nairobi students in the coup attempt, students in general, as well as labor unions, have caused little trouble for the government. Prior to the revolt, a group of radical students and lecturers with Marxist leanings at the university periodically organized small, relatively peaceful protest demonstrations that included criticism of Moi's performance. Moi's indefinite closure of the university after the coup is a continuation of the firm policies he has used in the past to head off any widespread agitation. Student agitation, however, probably will increase as economic conditions deteriorate further, especially if the government becomes less responsive and more repressive.

58. The government also closely supervises the labor movement, including the election of union leaders. Deteriorating economic conditions have hit union members hard, however, leading to increasingly frequent wildcat strikes and other disputes. Unions currently are unhappy with the government's refusal to grant a large increase in the minimum wage despite the high rate of inflation. Thus far, labor grievances have been settled peacefully, but union members could combine with other groups that have complaints against the government. Luo tribesmen—the largest ethnic group in the union movement—might be especially prone to such a move.

Moi's Strategy

59. The coup attempt has forced Moi increasingly to walk a tightrope to maintain his hold on power. If he cracks down hard on real and suspected enemies, he risks alienating increasing numbers of Kenyans who may conclude that there is no hope of gaining redress of their grievances within the system and consider turning to violent opposition. He also realizes that undemocratic actions could jeopardize badly needed Western aid.

60. But Moi also fears that a return to conciliatory policies, such as he followed earlier in his administra-

tion when he gave the country's smaller tribes a more equitable share of patronage, would make him appear weak and indecisive again. This would risk a loss of support among powerful hardliners in the regime. Moi has had to share power with these figures because he lacks a substantial base of popular support and does not have Kenyatta's authority.

61. Although Moi has threatened harsh reprisals, he has not resorted to massive arrests outside the Air Force. He realizes that jailing [redacted] for example, would trigger serious unrest among the Luo. At the same time he has failed to begin dealing more forcefully with the country's underlying economic problems. In particular, he shows no signs of acting against corruption—one of the major grievances of the coup plotters—by sacking prominent officials widely regarded to be lining their pockets.

62. Because Moi appears unable to prevent his political fortunes from declining still further, he is likely to adopt increasingly harsh measures against his opponents. For more than a year before the coup attempt, Moi already had been turning to repressive policies more frequently to deal with dissent. The government used or threatened harsh measures against opponents in several institutions such as the National Assembly where some dissidents were arrested and brought to trial. Moi also warned that he might suspend parliamentary immunity and jail those who made intemperate remarks in the legislature. The Assembly, which is dominated by Moi's supporters, does not have much influence on government policy, but the backbenchers have used it as a forum to vent their complaints.

63. This spring Moi stepped up his effort to quiet dissent by arresting several university lecturers and government critics—the country's first political detainees since the Kenyatta era. He also secured passage of a constitutional amendment legalizing Kenya's de facto status as a one-party state, thereby forestalling dissidents' plans for a second party.

64. Moi also is becoming less tolerant of criticism in the press. Kenyan papers generally have been allowed to express mild complaints about government policy, but within the last year a number of authors of articles considered unflattering by Moi have been detained by security officials for questioning. The government

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recently initiated a libel suit against one of Nairobi's leading papers that published stories about official corruption, reportedly as a warning to the press not to embarrass the regime. The government also forced the firing of a journalist who editorialized against the detentions and other repressive measures in another leading Nairobi daily.

65. Denunciations of Kenya's small but economically important Asian community by Moi and other senior officials earlier this year suggest that the government views the Asians as a potential scapegoat for the country's economic ills. Moi publicly castigated Asians for smuggling, hoarding, and illegal currency transactions. Soon afterward, an Asian businessman received a stiff sentence for trying to send currency out of the country without official clearance. Although Moi subsequently backed off from his harshest criticisms and denied any intent to deport Asians, they are a convenient target because they are widely resented by Kenya's black population.

66. The Asians—most of whose ancestors come from the Indian subcontinent—make up only 0.5 percent of the population, but their expulsion or departure as a result of government harassment would be another serious blow to the economy. Asians produce about a quarter of Kenya's gross domestic product, and have a majority share of the manufacturing sector and a 75-percent share of trade. They also play an important role in construction, transportation, and import-export sectors, and account for a large number of the country's lawyers and doctors.

67. Despite Moi's assurances, Asians have become more insecure since his attacks. The looting of their shops during the coup attempt appears to have motivated growing numbers of Asians to send their money out of the country and to consider leaving Kenya. If large numbers of Asians depart, Kenya does not have a sufficient body of skilled and experienced blacks to replace them.

Foreign Relations

Moi's Active International Role

68. Kenyan foreign policy follows the same generally moderate, pro-Western orientation under Moi as it did in the Kenyatta period. Under both Presidents, Nairobi has tried to avoid trouble with more left-

leaning neighbors by tempering pro-Western sentiments with public professions of support for non-aligned positions. Foreign policy received relatively little attention during the Kenyatta era, but several factors have given international affairs a more prominent place in Moi's government:

- Moi's chairmanship of the Organization of African Unity.
- Kenya's increased need for economic aid.
- The growing regional security concerns that led in part to Moi's acceptance of the military access agreement with the United States.

69. Moi has regarded his position as OAU Chairman as a growing burden, particularly since his term was extended by the failure of the Tripoli summit meeting in August to choose a successor. When he assumed the position, in mid-1981, Moi's role in efforts to resolve the Chad and Western Sahara disputes made him the most active OAU Chairman since the organization was founded. His attempt to appear an impartial arbiter of OAU disputes antagonized some of Kenya's usual moderate African allies. Moi's heavy travel schedule and involvement in OAU affairs also have led to charges by domestic critics that he has neglected economic and internal political problems.

70. Because of the pressing domestic concerns caused by the coup attempt, Moi wants to relinquish his OAU responsibilities. The current split in the OAU, however, may oblige him to remain as Chairman until the next regular summit meeting, scheduled to be held in mid-1983.

Relations With Neighboring States

71. Political differences, economic conflicts, and personal disputes between regional leaders have periodically marked relations between Kenya and its immediate neighbors. Resulting tensions have gradually increased Nairobi's sense of isolation and vulnerability to regional pressures and caused Kenya to implement an expansion and modernization of its military despite the added drain on its declining economy. At the same time, Moi has tried to improve relations with his neighbors to gain trade benefits as well as to ease security concerns.

72. Kenyan officials continue to view Somalia as the greatest potential threat to their security despite the

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current weakened condition of the Somali military and intermittent efforts on both sides to improve relations. Kenya still believes that Somali President Siad harbors irredentist ambitions for Somali-inhabited northeastern Kenya and that if Somalia becomes stronger militarily Siad would again consider aggressive moves against Kenya. The Kenyan Government believes—probably correctly—that Siad is trying to improve relations with Moi as a tactic to reduce the threat of military cooperation between Kenya and Ethiopia—partners in a longstanding military pact—and to gain more Western aid. Kenyan leaders have exaggerated fears that Somalia's military access agreement with the United States may lead to US arms deliveries that will improve Mogadishu's offensive capabilities.

73. Moi has tried to improve relations with Siad mainly because he too wants greater aid from the United States, other Western nations, and Saudi Arabia, which have encouraged the reconciliation. Meetings over the past year between Moi and Siad and other senior officials from the two countries have been followed by some instances of cooperation between local officials along the Kenyan-Somali border.

74. But further progress on mending Kenyan-Somali relations is likely to be slow at best, given the lingering mutual suspicions on both sides. Tensions in northeastern Kenya increased this spring following the killing of several local Kenyan officials by "shiftas" (ethnic Somali bandits), who the Kenyans believe receive support from Somalia. For his part, Siad remains concerned that Kenya is mistreating its ethnic Somali population.

75. The course of the Somali-Ethiopian conflict in the Ogaden will have an important impact on relations between Nairobi and Mogadishu. A revitalized Somali military would make Nairobi resistant to improving ties with Mogadishu. As long as Somalia remains militarily weak and fully preoccupied by the threat from Ethiopia, however, Kenyan officials probably will move ahead cautiously with the reconciliation.

76. If relations with Somalia continue to improve, Kenya may see less need to maintain military cooperation with Ethiopia

The most

recent such operation was in March 1981. More Kenyans, however, are beginning to see Ethiopia as a long-term security threat because of the Soviet influence in Addis Ababa and the Mengistu government's alliance with Libya. Kenya nevertheless wants to avoid antagonizing the Ethiopians and will act cautiously in implementing any decision to move away from them. A Kenyan official recently indicated to the US Embassy that Ethiopian pressure was causing Kenya to go slow on the rapprochement with Somalia.

77. Moi's suspicions that Uganda and Tanzania supported the coup attempt in Nairobi have dimmed prospects for improved relations between Kenya and its former partners in the East African Community. The three countries have been haggling over the assets of the Community, a trade and economic grouping, since it dissolved in 1977, chiefly because Tanzania and Uganda believed that Kenya, with its more prosperous economy, dominated it. The Tanzanians subsequently closed the border with Kenya because of the dispute over Community assets.

78. Prospects for a settlement of the dispute will depend on whether the practical needs of all three countries to ease serious economic difficulties will outweigh the hostility and distrust among them. Although the three countries have agreed in principle on general financial terms, further progress has been blocked because of Moi's refusal to meet with Tanzanian President Nyerere and Ugandan President Obote.

79. Although the Kenyans might owe as much as \$100 million—primarily to Uganda—as part of any settlement, they probably reason they would gain more than that over time from new trade, particularly if Nyerere agrees to reopen Tanzania's border with Kenya. In the short term, however, a restoration of normal trade relations among the three countries will not significantly reduce Kenya's current account deficit. Kenyan industry would benefit somewhat through increased exports, but the Tanzanian and Ugandan economies are so depressed that the two countries probably will adopt measures to prevent substantial imports of Kenyan goods for some time.

80. Moi's belief that Ugandan officials were in contact with the coup plotters may cause him to give freer rein to Ugandan dissidents living in Kenya. Kenya is unlikely, however, to sanction dissident mili-

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tary activities from Kenyan territory that might increase security problems along the border. If Obote's government were overthrown and conditions in Uganda deteriorated, the Moi regime probably would ask for additional military aid from the United States. Moi also might give greater assistance to Ugandan dissidents.

81. Kenya probably would also look for increased military aid if any other threatened government in the region—such as Tanzania, Somalia, or Sudan—were overthrown. Moi would be concerned that new regimes in Tanzania or Somalia would be unable to impose stability and that tensions could rise along their borders with Kenya. Moi regards Sudanese President Nimeiri as his only moderate ally in the region, and he would be particularly concerned if Libya appeared to be involved in Nimeiri's ouster.

Relations With the USSR, the West, and Other Countries

82. The Kenyan leadership is strongly anti-Communist and deeply suspicious of Soviet activities in Africa. In keeping with his nonaligned posture, Moi had planned a visit to Moscow last year, but he canceled the trip in part because of irritation over a Soviet attempt to persuade him to accept military aid. The Soviets have some 54 personnel in Kenya, including Embassy officials, UN Environmental Program representatives, and a trade mission. Nairobi accepts limited Soviet aid, including the stationing of several Soviet doctors in Kenyan hospitals and scholarships for Kenyan students to study in the USSR. It would take a major upheaval, however, including a collapse of the economy and the ouster of virtually the entire leadership before a new Kenyan government would consider establishing close ties with Moscow and seeking substantial Soviet aid. Cuba has no diplomatic representatives in Kenya and the Kenyans have turned aside Cuban requests to establish an embassy in Nairobi.

83. In contrast, Kenya maintains close relations with Western countries and the West provides nearly all of Kenya's economic and military aid. Kenya's British colonial heritage, including the civil service, educational system, and military training and organization, gives London significant residual influence in Kenya. The United Kingdom has been the largest donor of economic and military aid to Nairobi, and

British forces periodically hold military training exercises in Kenya. London seldom needs to use direct pressure to affect Kenyan policies.

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85. Kenya generally maintains good relations with both the Arab world and—unofficially—with Israel. Kenya's dependence on oil imports from the Middle East requires the government to take public positions in support of the Arabs. The Kenyans also have made gestures such as permitting the Palestine Liberation Organization to open an office in Nairobi. Although they have had only limited success in gaining economic help from Saudi Arabia and other conservative Arab countries, the Kenyans remain vulnerable to pressure from these countries to support Arab positions because of Nairobi's concern about the possibility of another world oil shortage.

86. Moi has been publicly cordial toward Libyan leader Qadhafi, but the Kenyans worry about possible Libyan subversion in Kenya. Libya gives money to Kenyan politicians with pro-Arab views, and recently renewed efforts to expand its influence by purchasing Kenyan newspapers. The Libyans, however, are unlikely to have much success. Moi's government already keeps a tight lid on Libyan diplomatic activities in Kenya and may be more forceful in countering Libyan schemes once Moi's tenure as OAU Chairman is over.

87. Libya also attempts to use Kenya as a channel for subversion against third countries. The Libyans tried unsuccessfully in 1981 to stage through Nairobi a terrorist attack against US personnel in Sudan. They have been more successful in moving Ugandan dissidents through Nairobi for training in Libya.

88. Israel, which maintains an interests office in Nairobi, has provided military and technical aid to Kenya, including arms and ammunition.

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[redacted] Moi, however, is unlikely to follow Zaire's lead and reestablish formal relations with Israel. Nairobi is satisfied with the current low-key relationship and does not want to risk its supply of Arab oil. Kenya might be responsive to pressure from Israel for recognition, however, if several other African countries were to reestablish diplomatic ties with the Israelis at the same time.

Prospects and Implications for the United States

Moi's Short-Term Prospects

89. Moi has about an even chance of serving out the remaining two years of his present term. Despite his problems, he has shown a talent for outmaneuvering potential opponents and for playing off the country's ethnic and political groups against one another. He may decide to seek a new mandate by calling for early elections, but only if he believes he can win. None of Moi's potential opponents, with the exception of Kibaki, has strong popular support. His current tactics are likely to keep them off balance and force them to lie low for at least the next several months. Food shortages have in the past triggered the most serious discontent among the population but—barring another major drought—increased production diminishes the chances of widespread shortages during the next year or two.

90. Moi's position, however, will remain in serious danger because he is unlikely to make the major changes in government policy necessary to turn the declining economy around or substantially reduce the political tensions that have resulted from the coup attempt. Further unrest is likely before the end of his term. If he appears incapable of controlling it, the military leadership probably will feel compelled to take over the government or, as seems more likely, to lend its support to a civilian successor regime. Moi also might be forced to relinquish his position if the still-powerful, but factionalized, Kikuyu unite against him. Such a development could result from a decision by Moi to arrest Kikuyu leaders implicated in the coup plot or a move by Njonjo—with Moi's support—to oust Kibaki from the vice presidency. A united Kikuyu leadership could gain control of KANU—which deter-

mines who is president—and force an early election to choose Moi's successor.

91. Moi's ouster before his term ends is more likely to come through an assassination or a coup led by middle-level and junior officers or enlisted men. Kenyan politics has periodically been marked by political violence and Moi has made many enemies since he assumed office. Even since the coup attempt he has insisted on risking his personal safety by appearing in public and mingling with the people.

92. If the election is held as scheduled in 1984, it will be preceded by even more intense jockeying for position within the leadership. Moi's political skills and the divisions among his opponents will give him a fairly good chance to win another term if the economy has not declined more dramatically and political unrest has not become widespread. Moi's main challengers will be from the Kikuyu. Both Kibaki and Njonjo, however, face uphill struggles in trying to overcome their weaknesses. If they appear likely to lose, Moi might be able to persuade both to back off from challenging him and resign themselves to remaining in subordinate roles in his administration. It is unclear whether another Kikuyu politician has sufficient time and ability to organize a successful bid for the presidency against Moi, but there are almost certainly other Kikuyu who covet the presidency.

If Moi Is Replaced

93. Over the short term any successor to Moi from within the country's present leadership probably would make few changes in basic orientation. The leadership is largely united in support of the present economic system, from which it benefits handsomely, and the regime's pro-Western foreign policy orientation, which it has helped to shape. The differences between Kibaki and Njonjo are almost entirely confined to personal rivalries, and any other Kikuyu successor to Moi would also be likely to support the system that has enabled his tribe to exercise substantial economic and political power. If a Kikuyu leader succeeded Moi, his chances for maintaining stability would depend largely on the state of the economy but also on the means by which he came to power. He might face greater ethnic tensions, however, because of hostility among Kenya's lesser tribes. Non-Kikuyu tribes fear that a regime led by Kikuyu would treat

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them as second-class citizens, as they believe Kenyatta's government did.

94. Significant changes would be more likely if Moi were ousted because an economic collapse was triggering widespread political unrest and he appeared to have lost control of the situation. Such a development probably would prompt conservative military leaders to take power. Disaffected radicals probably would not have sufficient time to organize or build sufficient popular support to challenge a military takeover within the next few years. A military regime would be most likely to adopt more authoritarian policies, but most other changes probably would not be considered until after stability was restored. The military probably would look to established political figures to participate in a new government rather than turn power over to radicals who would make sweeping changes in the Kenyan system.

95. A successful coup by low-ranking Army personnel, however, would be more likely to lead to a break with the past. If economic grievances brought on the coup, such military leaders probably would sweep out the old leadership completely, call for an end to corruption, and—at least initially—impose more radical economic policies.

96. If radicals did succeed in gaining power, they probably would initially adopt a nonaligned policy and seek assistance from both East and West. Widespread anti-Communist sentiment in Kenya reduces the prospect that the regime would become a Soviet client state. It would be preoccupied with domestic problems and would give highest priority to consolidating its power. A radical government in Nairobi, however, probably would seek closer ties with neighbors with similar ideologies, particularly Ethiopia. Refurbished ties with the government in Addis Ababa would inevitably lead to new strains in relations with Somalia, particularly if the present government in Mogadishu were still in power.

Longer Term Outlook

97. Increasing instability appears likely in Kenya over the next five years or so no matter who is president. The pressures caused by rapid population growth almost certainly will lead to more serious economic and political problems for Moi or his successor. Growing friction over scarce resources is likely,

including more frequent tribal disputes over land in rural areas and urban unrest caused by food shortages and other economic difficulties. The government is beginning to understand the severe consequences of the population explosion, and Nairobi almost certainly will feel compelled to intensify its efforts to promote family planning. Even so, it would be many years before such efforts achieved results that would slow the population growth rate significantly.

98. Moi's repressive measures against his critics probably have led many of them to conclude that dissent within the system is useless. Even if he or a successor were to relax such measures, some opponents of the government will probably have become radicalized and not return to legal opposition activities. Should economic conditions continue to decline, radicalized opponents could, in time, exploit discontent among students, workers, "have nots," and other disaffected groups. Their ability to promote widespread agitation against the regime would be enhanced if they gained support from the USSR, Libya, or other sympathetic countries. Any significant increase in unrest also could lead to further economic difficulties by discouraging foreign investment in Kenya and possibly by influencing foreign governments to reconsider the wisdom of granting large amounts of economic aid to Nairobi.

99. There are several factors that give the moderate leadership a good chance of remaining in power at least through the period of this assessment:

- The leadership supports the present system and has a political and economic stake in seeing it survive.
- The lack of a tradition of popular dissent will make it more difficult for radicals to organize the masses.
- The general population still derives some benefits from Kenya's market-oriented system and recognizes that radical governments in neighboring countries have failed to cope with problems as well as the Kenyan Government has.
- The country's conservative military commanders probably would intervene first to prevent a radical takeover.

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Implications for the United States

100. Kenya is likely to retain its basically pro-US policy perspective over the term of this assessment, and will look to the United States for still greater economic and military aid.² But because the increasingly burdened Nairobi government is coming under growing pressure, several developments could lead to greater friction in Kenyan-US relations, and possibly cause a reduction in military cooperation.

101. Nairobi would be unhappy with Washington if Kenyan leaders believed the United States had failed to respond adequately to their economic needs. The Moi government already is restless over what it regards as insufficient US recompense for expanded US military access to Kenyan facilities. The coup attempt has increased the urgency of Moi's calls for greater US help.

102. Kenya would similarly complain if government leaders felt Washington was not responsive to their security concerns. A deterioration in the Ugandan situation that led to new tensions along the Kenyan-Ugandan border, greater strains in relations with Tanzania, or, more important, renewed fears of Somali irredentism would lead Kenya to ask Washington for more military aid.

103. Nairobi is concerned about what it sees as US failure to comprehend that Mogadishu may again intervene in northeastern Kenya when its military is stronger. Moi has reluctantly accepted US transfers of defensive arms to Mogadishu to put his own relationship with the United States on a better footing. US-Somali arms deals at concessional terms, however, are viewed in Nairobi as largely neutralizing the effect of improvements to Kenya's capabilities realized by Kenyan arms procurement on commercial terms. Moi would object strongly to any transfers of offensive arms to Somalia. He would try to increase pressure on Washington to end such arms aid.

104. Kenya would be concerned by excessive US pressure for Kenyan support on international issues. Nairobi does not want to be isolated within the Nonaligned Movement and exposed to the danger of Libyan or Communist subversion. Kenyan officials

² Kenyan press treatment of the United States is discussed in annex B.

will continue to resist US pressure for support on certain issues within the OAU and other international forums, preferring to stay with the African and non-aligned consensus to the extent possible.

105. Kenya could signal its displeasure with the United States by refusing to agree to Washington's proposals for further cooperation under the military access agreement. Nairobi would consider canceling the agreement only as a last resort, however, if it believed the United States was acting against Kenya's vital interests—particularly in giving offensive arms to Somalia—and there appeared to be no hope of gaining redress of its grievances. Moi might threaten to cancel the agreement and adopt a more nonaligned posture if he believed Washington had failed to respond to his pleas for aid after the coup attempt and he saw such a course as the only way to save his faltering position. In such a case, Kenyan leaders would look for greater aid from other Western countries or conservative Arab states. Kenya might also ask Communist countries for assistance as a tactic to press the West into granting more aid.

106. The continued weakening of Moi's political position could make the Kenyan-US military relationship a more frequent target of opposition criticism due to a close US identification with an increasingly unpopular, repressive Kenyan regime. In particular, a more visible US military presence in Kenya would increase the possibility of anti-US protests or even attacks on US facilities. Increasing economic problems and political instability in Kenya, in fact, are likely to place new strains on Nairobi's relations with Washington whether or not Moi remains in power.

107. If a radical government came to power in Nairobi, US interests would suffer. Such a regime almost certainly would cancel the military access agreement with Washington to demonstrate its move to the left on foreign policy issues. It probably would criticize the US-Somali military access agreement and would permit port calls by Soviet naval ships. If the new leaders were concerned with the practical problems of trying to halt the economic decline, however, they probably would want to avoid a rupture in relations with the United States. Kenya's need for substantial economic aid would cause it to seek continued help from Western countries, including the United States.

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ANNEX A

MILITARY AND SECURITY FORCES

Kenyan military and security forces include three military services (Army, Navy, and Air Force), police forces, and the Directorate of Intelligence and Security—commonly called the Special Branch. The armed forces and the Special Branch are under the President's direct control through the Office of the President. In a recent move President Moi also brought most of the police forces under his direct control. He also has made the Air Force subordinate to the Army because of the leading role of Air Force personnel in the attempted coup.

We believe there is currently no significant external military threat to Kenya, although most Kenyan defense planners consider Somalia, with its history of irredentist claims on northeastern Kenya, to be the primary threat. As the armed forces continue to expand and become more proficient in using their newly acquired weapons, they probably will be able to mount at least an initial defense against violations of Kenyan territory by any neighboring country except Ethiopia. Kenyan forces are acquiring a variety of new weapons, but it will be some time before improved equipment, training, and leadership under the modernization program can produce a significantly more capable defense force. The current investigation and reorganization of the Air Force will drastically impede efforts to improve its combat capabilities.

Kenyatta had kept the Kenyan military small and underequipped because he feared coup attempts. In the mid-1970s, however, the threat of attack by Uganda's President Idi Amin, who claimed part of western Kenya, and by Somalia, as well as border tensions with Tanzania, caused Kenyatta to modernize and expand the Kenyan armed forces.

Since his election Moi has continued to support the modernization and expansion program, and the influence of the military in Kenya is increasing. Having long felt neglected, the armed forces have been encouraged by the government's willingness to expand and equip them, and they are now more aware of

their potential and importance to the nation. The coup attempt has led to a further increase in military influence within Moi's government. The Army, which put down the uprising, has abandoned its traditional disinterest in politics and is playing an important advisory role. For example, top Army officers persuaded Moi to replace the heads of the police and the General Service Unit following the attempted coup. They also reportedly have urged him to purge his Cabinet of ministers whose loyalty they suspect.

While the increase in the size of the armed forces and the acquisition of new weapon systems will improve military capabilities, the modernization and expansion program has not been without significant difficulties:

- It is heavily dependent on foreign military assistance.
- It is a strain on the economy.
- Lack of effective management at the Department of Defense and service headquarters causes significant delays in program development.
- Logistic support and technical training in the services are not sufficient to fully support the newly acquired weapon systems.

Department of Defense

The Kenyan Department of Defense is subordinate to the Office of the President. The operational chain of command proceeds directly from the president through the chief of the General Staff in the Department of Defense down to the three service commanders. Administrative authority flows from the president through a minister of state to the chief secretary in the Office of the President down to the permanent secretary (for defense) and the military chief of the General Staff in the Department of Defense. A Defense Council, consisting of the minister of state, the chief of the General Staff, the service commanders, and the per-

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manent secretary, advises the president on matters pertaining to the armed forces.

Army

The Kenyan Army remained loyal—for the most part—and played the main role in putting down the attempted coup. It had grown in the past few years to an estimated 14,000 men, but its strength has been reduced since the coup to about 12,000 because of transfers to the Air Force. The Army remains a small force when compared with most other East African armies.

The acquisition of new weapons is compounding existing maintenance deficiencies, logistic problems, and management shortcomings in all the military services. There is a shortage of technically qualified personnel, and the middle-level officer and NCO ranks have limited supervisory training and experience. The dispersion of qualified personnel from established operational units to newly formed units has somewhat degraded the capabilities of the older units.

The Army is capable of containing the small "shifta" groups in northeastern Kenya. If relations between Kenya and Somalia were to deteriorate and Mogadishu were to renew support to the "shiftas," however, the Army would be taxed to counter it. Occasional joint military exercises between Kenyan and Ethiopian ground forces against Somali guerrilla groups operating through Kenya into Ethiopia have met with marginal success. The five infantry battalions are the primary tactical units in the Kenyan Army, and will remain so until newly formed armor, artillery, and air cavalry units become fully combat ready. In the context of black Africa, the infantry is relatively well trained and disciplined.

The addition of new weapon systems (Vickers tanks, 105-mm artillery, and Hughes 500 MD helicopters) will ultimately enhance the combat capabilities of the Army. The first phase of the tank acquisition program has been completed with the delivery of 38 tanks. The second phase will be completed by the end of 1982 with the total delivery of some 80 tanks. The lack of properly equipped workshop facilities, which minimizes tank repair capability, is a major deficiency. The Army also is having difficulty finding reliable transporters for its tanks.

Air Force

The Kenyan Air Force, which had at least 3,000 personnel before the coup attempt, is undergoing an extensive reorganization. Many former personnel have been jailed. The Air Force is now commanded by an Army general and heavily staffed by Army personnel. Thus, Air Force capabilities will be severely limited until the Army transfers and other replacements can be trained.

Even before the coup attempt, the Air Force was not able to perform its air defense mission adequately. Air defense elements include an air defense artillery unit, four early warning and ground-controlled intercept radar systems, and 12 British Tigercat air defense missile launchers. The missile systems were delivered last year and remain in storage. The American-built F5E aircraft will eventually improve the air defense capability once the operational ready rating of the aircraft is improved and armament problems are solved. The recent addition of the British-manufactured Hawk aircraft will add to Kenya's ground attack capability when this squadron becomes fully operational.

The Air Force has three bases—two in the Nairobi area and the third about 150 kilometers to the north. Before the uprising, the Air Force contained transportation, air support, and helicopter squadrons, a basic flying school, and a newly formed technical training center.

Navy

The Kenyan Navy, with an estimated 650 personnel, is capable of performing only limited coastal patrols but is reasonably efficient for its size. There are only seven patrol craft. Three are being refitted with the Israeli Gabriel missile system, for use against surface ships.

The Navy is based entirely at Mombasa, Kenya's only deepwater port, with one patrol craft squadron. Additionally, the naval organization consists of a headquarters, the Mombasa Naval Base, a communications center, a training facility, and a maintenance support base.

Foreign Military Assistance

For the foreseeable future, the Kenyan armed forces will require foreign financial aid, technical assistance,

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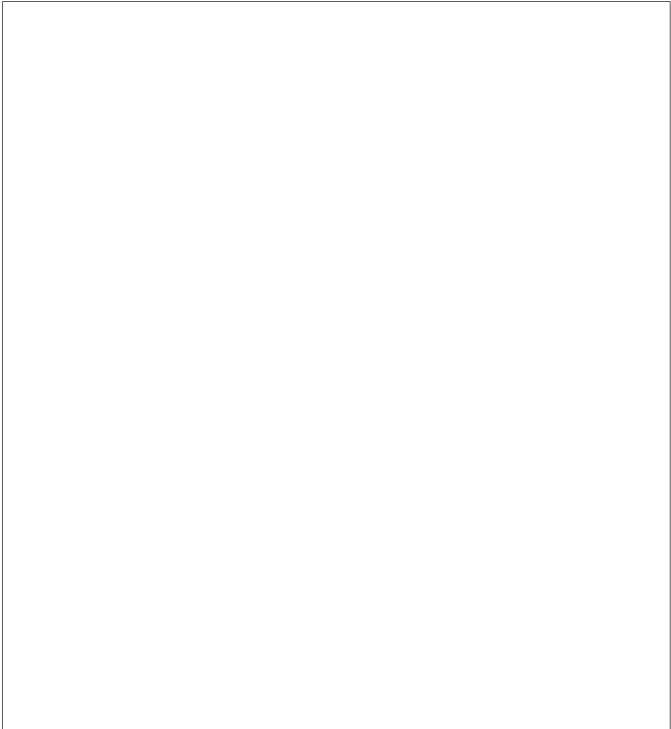


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spare parts, and training support, in addition to sources for major items of equipment. Kenya has no indigenous materiel production capability. In the present modernization program, weapon systems have been acquired from the United States, the United Kingdom, West Germany, France, Canada, and Israel. The first two are the most important suppliers. The United States has provided jet fighters and helicopters, while the British also have supplied jet trainer/attack aircraft, as well as tanks and artillery.

They are stationed at sites throughout Kenya from where they can easily reach any remote location. In many cases the deployment of GSU personnel to troubled rural areas has been sufficient to forestall disorders.

The Kenyan armed forces are not capable of easily absorbing the sophisticated weapon systems recently acquired and planned in present programs. All military elements are plagued by deficiencies in support facilities and trained technical personnel.



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General Service Unit

The paramilitary GSU—an autonomous element of the National Police—is made up of about 2,000 men. Traditionally, GSU personnel have been drawn mostly from the Kikuyu tribe. It is charged with presidential protection, border patrol, and counterinsurgency duties, and serves as a reserve to reinforce the regular police and the armed forces.

GSU rifle companies of about 120 men each are capable of operating independently as light infantry.

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ANNEX B

THE KENYAN PRESS AND THE UNITED STATES

Public opinion of the United States as reflected in the press of Kenya generally is favorable. The three major Nairobi dailies and a weekly news magazine seldom voice strident anti-American sentiment. Factual reporting on US foreign and domestic issues is usually balanced and fair, although editorials and commentaries do occasionally criticize the United States and letters to the editor often reflect distrust, suspicion, and negative attitudes about it.

In principle, the press in Kenya is unfettered and free to report and editorialize at will. In reality, publishers and editors tacitly practice a form of self-imposed censorship. Moi has put the press on notice more than once that, unless it restrains itself, the government may step in to enforce restraint. In July 1982 he forced the firing of the editor of the country's second-largest newspaper following the editor's criticism of the government. Moi's well-known sensitivity about publicity concerning the Kenyan-US military relationship means that the press rarely mentions that subject.

Positive as well as negative news items about the United States are given play. Press service cables and dispatches are reprinted without adding extraneous material or omitting relevant data to produce a slanted impression.

Foreign and domestic policies of the United States are fair game for editors and columnists. Kenyan press editorials and commentaries, however, contain comparatively few bitter denunciations of the United States. Subjects that have elicited criticism include:

- The US role in brokering a Namibia settlement.
- The marketing by US pharmaceutical companies of insufficiently tested drugs outside the United States, particularly in Africa.
- US relations with South Africa.

- The US "veto" of Tanzania's candidate for UN Secretary General.
- The Reagan administration's endeavor to kill the Clark Amendment.
- The proposed sale of US arms to Somalia.

Although editors and commentators take firm positions against the United States on some topics, they do not criticize or impugn the American political system as such. Instead they tend to view some US Government policies as the aberrations of a particular administration or secretary of state. The underlying assumption appears to be that, in time and given advice by friendly nations (such as Kenya), US citizens will exert pressure to change policy mistakes by their government. In contrast, Kenyan papers regularly carry negative commentaries about the USSR that point out deficiencies in the Soviet system.

Letters to the editor offer the best view of the grass-roots level of Kenyan public opinion and contain the most negative views—frequently expressed in harsh, derogatory terms—about the United States. Long after critical incidents disappear from factual reporting and have been treated in editorials and commentaries, they continue to appear in letters. One notable example involved the slaying of a Kenyan bargirl by a young white US serviceman in Mombasa last year. The incident remained front page news for some time and provoked blistering criticism of the justice system for allegedly letting the serviceman off because of influence exerted by the United States. After the story disappeared from news and editorial pages, angry letters continued to appear for months denouncing what was perceived as a miscarriage of justice. The letterwriters indicated their disbelief that the serviceman would undergo trial and sentencing back in the United States.

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