



Effective, Open and Accountable County Governance

Focus Areas:

1. Political Realignments
2. Resignation of State and Public Officers Seeking Elective Positions
3. Worsening Economic Situation in the Country
4. Persistent Insecurity in Parts of the Country
5. Politics over Public Debt
6. Wastage of Public Resources in Counties

Introduction

The Act Change Transform led Consortium is currently implementing the Kenya Devolution Programme (KDP), a four year (2021 – 2025) national programme funded by the Foreign, Commonwealth and Development Office (FCDO). The programme aims to address some of the specific challenges facing devolution in selected counties in Kenya. The KDP has seeks to make a contribution in five Output Areas. These areas:

1. *Intergovernmental relations that supports devolution*
2. *Effective county planning, public finance management and staff performance*
3. *County government and citizens' engagement to improve service delivery and livelihoods*
4. *Evidence generation, digital technology and learning as enablers of public service delivery and reform*
5. *UK Government Portfolio in Kenya is better aligned with county government priorities*

Successful delivery of the KDP requires a deep understanding of the intervention context including the power dynamics. To enhance understanding of the implementation context, the Consortium committed to generate political economy analysis briefs on a monthly basis. The monthly briefs are to provide clear and succinct synthesis of key issues in the KDP implementation context with a focus on the five Output Areas. The bulk of the data that informs the brief report emanates from a close monitoring of the media in Kenya. Each *Monthly Briefing Note* should be no more than two pages. This *Monthly Briefing Note* provides a snapshot of main issues during the month of January 2022 in Kenya's political economy that may impact on the implementation of the Kenya Devolution Programme.

Political Economy Analysis: February 2022

Highlight of Key Issues

This section provides an overview of key happenings in the country and their implications for the implementation of the KDP and in particular the five Output Areas.



1.1. Political Realignments

During the month of February 2022, the coming together of the United Democratic Alliance (UDA), African National Congress and Ford Kenya represents a major shift in Kenya's political party politics and coalitions building. The three came together to form what has been labeled as Kenya Kwanza Alliance, joining the other top contender for the presidency i.e. Azimio Coalition. These two political formations are of interest as partners continue implementing the Kenya Devolution Programme, given the high probability that either of these two coalitions will form the next government. It is also possible given their pronouncements in public rallies; it is likely that support for devolution is likely to take different trajectories depending on which coalition forms government. One of the political formations has been popularized as pro-devolution.

Another notable happening in Kenya's 2022 electoral contest is the active involvement of President Uhuru Kenyatta in shaping his succession. In late February, President Uhuru Kenyatta convened a political caucus of the Mount Kenya bloc with a view to discussing the political direction of the country and the region.¹ During the meeting the President rallied the public to embrace Hon. Raila Odinga as the next country's president for the sake of uniting Kenyans. As one would expect the President's pronouncements during Sagana III meeting did not augur well with proponents of the Kenya Kwanza Alliance. The active involvement of the President in his own succession and by rallying the opposition against his own Deputy President has further strained the relationship with his Deputy. While the reproachment with the former Prime Minister has brought peace and tranquility in the country, this is also consolidating grievance politics especially in parts of the Rift Valley who feel betrayed, by the President. It's too early to tell the direction these grievances will take, but could present a potential need for post-August 2022 election handshake.

1.2. Resignation of State and Public Officers Seeking Elective Positions

Also it is during this month that state officers contesting in August 2022 general elections resigned. This is in conformity with the law that requires that state officers and public officers must resign at least six months before the date of the general election. A circular dated January 28, 2022 sent by the Head of the Public Service Joseph Kinyua directed state officers to hand over their offices and public assets under their charge and prepare comprehensive hand-over notes to facilitate smooth transition.² Among those who resigned to join politics is the Devolution Cabinet Secretary, Charles Keter.³ The resignation of state and public officers is likely to leave a void in public service hence adversely impact on service delivery.

1.3. Worsening Economic Situation in the Country

At the turn of the year, prices of basic commodities across the country has been on the rise. Data from the Kenya National Bureau of Statistics show that food prices rose by 8.89% in January making it hard for thousands of Kenyans to put food on the table.⁴ The burden is higher for poorer households, where food accounts for about 36% of total spending.⁵ Kenyans took to the social media platforms to raise their concerns on the rising price of basic commodities through the hashtag #lowerfoodprices. The rising price of basic commodities also comes in a context of a worsening drought situation in a number of arid and semi-arid counties in the country.

1.4. Persistent Insecurity in Parts of the Country

While terror cells in parts of Mandera, Wajir, Garissa and Lamu counties continue to wreak havoc and disrupting peoples' livelihoods, resource-fueled conflicts abound in Baringo, Elgeyo Marwaket, Laikipia, Samburu, Marsabit and Isiolo counties. As a recent report by the Food and Agriculture Organization notes, resource-based conflicts are escalating as competition for water and pasturelands increases and malnutrition rates are rising in affected areas of Ethiopia, Kenya and Somalia.⁶ The criminal activities linked to cattle

¹ Daily Nation, February 24, 2022, <https://nation.africa/kenya/news/politics/my-deputy-is-unfit-to-rule-uhuru-now-tells-mt-kenya--3727156>

² The Standard, February 2, 2022 <https://www.standardmedia.co.ke/politics/article/2001436378/civil-servants-eyeing-elective-seats-must-quit-by-tuesday-next-week>

³ The East African, February 8, 2022, <https://www.theeastafrican.co.ke/tea/news/east-africa/kenyan-ministers-resign-to-join-active-politics-3709338>

⁴ The Standard, <https://www.standardmedia.co.ke/politics/article/2001438138/kenyans-take-to-social-media-protest-against-rising-food-prices>

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⁶ Food and Agriculture Organization of the United Nations, <https://www.fao.org/newsroom/detail/drought-in-the-horn-of-africa-new-analyses-flag-mounting-risks-need-to-support-rural-families/en>

rustling in parts of Baringo, Elgeyo Marakwet and Laikipia have outsmarted government effort aimed at defeating the criminals. Why this is the case, the government does not provide an answer.

1.5. Politics over Public Debt

During the month under review, public debt became a topical issue in the campaign trail of the two leading coalitions in the country. The debate was triggered by assertions by the Kenya Kwanza Alliance of the rising public debt and the need to put a stop to the trend. The government debt has expanded from KES 1.9 trillion in 2013 to KES 8.21 trillion as of December 2021.⁷ Between 2013 and 2020, the debt stock has increased by 300%.⁸ While the exact size of Kenya's debt stock remains opaque, what is clear is that unrestricted public debt is impacting negatively on people's livelihoods.

1.6. Wastage of Public Resources in Counties

Close to ten years with devolved system of governance, counties continue to grapple with the challenges of public finance management. Wastage is rampant in the devolved units. There are questions as to whether cases of wastage of public funds as reported in Auditor General reports is a question of lack of technical capacity to manage public finances, or sheer lack of political will to ensure transparency and accountability or it's a combination of both. Either way, this remains a key bottleneck in the performance of the devolved units. In January 2022, for instance, the Auditor General pointed at irregular spending in a number of counties. Kitui, Nairobi, Kisumu, Nyandarua and Vihiga were singled out as the worst performing counties in management of public resources. A number of counties were identified as containing unexplained expenditures, huge pending bills, and poorly done projects.⁹

4. Conclusion

The main happenings during the month of February 2022, are diverse and pose varied implications for the implementation of the Kenya Devolution Programme. Critical issues include insecurity in Baringo and Lamu counties, rising cost of living in the country and the political realignments in view of the August 2022 general election.

⁷ Budget Committee

⁸ Kenya's Public Debt Distress: Issues and Scenarios, <https://ieakenya.or.ke/blog/kenyas-public-debt-distress-issues-and-scenarios/#:~:text=In%202020%2C%20Kenya's%20debt%20problem,the%20COVID%2D19%20global%20shock.&text=Since%20the%202013%2F14%20financial,stock%20has%20increased%20by%20300%25>.

⁹ The Standard, February 10th, 2022; <https://nation.africa/kenya/counties/sh23bn-wasted-the-shame-of-counties-3704812>