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Kenya: A Postelection Assessment

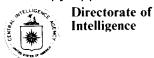
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An Intelligence Assessment

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ALA 83-10177 November 1983





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Kenya: A Postelection Assessment (U)

An Intelligence Assessment

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Office of African and Latin American Analysis, with a contribution by

ALA. It was coordinated with the Directorate of Operations

Comments and queries are welcome and may be directed to the Chief, Africa Division, ALA, on

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Key Judgments Information available as of 18 November 1983 was used in this report.	The reelection in August of Kenyan President Daniel arap Moi to his second five-year term, although far from providing him with a ringing mandate, has firmed his control over the government, placing him in his strongest political position since an attempted coup in August 1982. The elections gave Moi—a member of a minority ethnic group—the opportunity to prune his cabinet, provided him with a generally more supportive parliament, and enabled him to continue distributing power more equitably among Kenya's many tribes. But the low turnout of only 40 percent of the electorate disappointed Moi, reflecting public apathy toward the elections and the Moi administration rather than a hoped-for outpouring of nationwide support. In addition, the unusually high election losses among those Kikuyu incumbents associated with the Moi government expressed the dissatisfaction of Kenya's largest and most influential tribe with the Moi presidency.	25X1
	 Now that the election campaign is over, Moi must turn again to the serious long-term challenges besetting Kenya: Tribal rivalries fostered by Moi's efforts to erode further the dominance of the Kikuyu and consolidate power in the hands of his coalition of minority tribes. An economy afflicted by inefficiency, corruption, high urban unemployment, and low prices for Kenya's primary exports, coffee and tea. The need to maintain the support of a military rent by the 1982 coup attempt. The task of continuing to improve relations with distrustful neighbors and to cultivate Western nations, whose support is essential to Kenya's economic rejuvenation. None of these problems appears to pose an immediate threat to the Moi regime, but, if unresolved, they could precipitate over the next several years regime-threatening internal crises. To date, Moi's measured steps have precluded the leaderless Kikuyu from coalescing against him. Since the 1982 coup attempt, he has lessened the tribe's influence in military and economic planning and limited Kikuyu access to positions of political power. Even his eventual success in driving 	25X1
	access to positions of political power. Even his eventual success in driving from office his rival, Constitutional Affairs Minister Charles Njonjo—a prominent but controversial Kikuyu against whom Moi made veiled charges of treason—failed to unite the Kikuyu tribe. Moi has initiated a formal judicial inquiry into the Njonjo affair, however, that will keep the politically volatile ethnic issue in the limelight.	25 X 1

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Kenya's heavy dependence on Western trade and aid has been the cornerstone for its Western orientation. As long as Moi continues in office, we believe Kenya will retain its basically pro-US policy and will look to Washington for still greater aid in return for allowing continued military access to Kenyan facilities. Soviet and Libyan efforts to gain a foothold in the region persist, however, and clearly would be intensified in the unlikely event that Kenya's internal stability deteriorated markedly. If, in such a situation, Moi resorted to repression to retain power, his opponents would seize on the visible US military presence as evidence of US support for the regime to turn public indignation against Washington. On balance, however, we doubt that even a radical successor government in Nairobi—an unlikely development, in our view—could afford the domestic political and economic impact of a rupture with the West, although such a regime would be likely to cancel the military access agreement to demonstrate a more nonaligned foreign policy.

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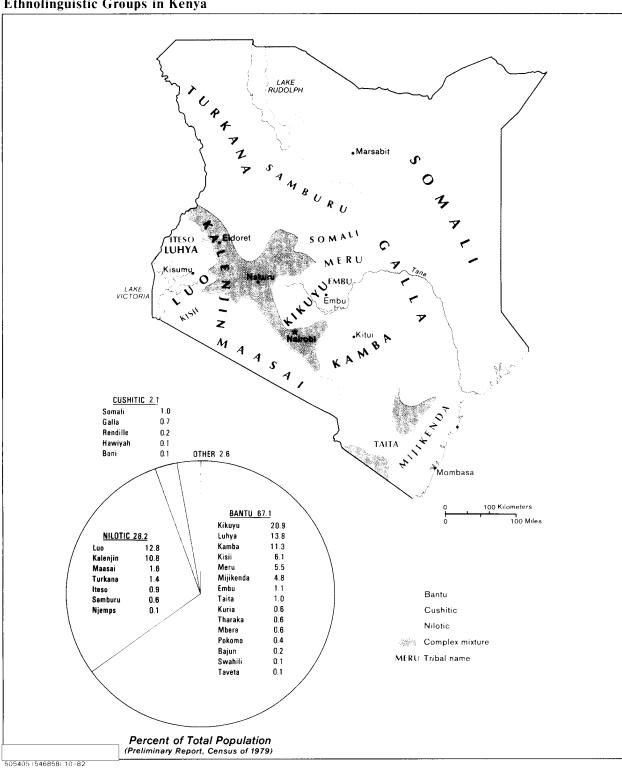
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Kenya: A Postel

A Postelection
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Introduction

In August 1983 Daniel arap Moi was elected automatically to a second five-year term as President of Kenya when no opposing candidate registered to contest his parliamentary seat. Subsequently, parliamentary elections in September returned a Parliament generally more loyal to him than its predecessor, which had been dominated by former President Jomo Kenyatta's close supporters. We believe Moi will use the election results to continue promoting the ascendancy of a coalition of minor ethnic groups-including his own small Kalenjin tribe—at the expense of the long-dominant Kikuyu. He will also use his increased leverage to institute some necessary but unpopular austerity measures demanded by the United States, other Western donor countries, and the IMF, in the expectation of receiving much-needed economic aid.

Overall, Moi appears to have emerged from the elections in a strong position and for now faces little effective opposition. Failure to deal successfully with the complex ethnic and economic issues, however, could rejuvenate his largely silent and divided critics—including the Kikuyu and a small minority of anti-Western leftists. This paper analyzes the critical social, political, and economic issues facing President Moi; assesses the prospects for the stability of his regime; discusses the potential for Soviet and Libyan meddling; and addresses the implications for Western, particularly US, interests.

The 1983 Elections

Moi's surprise call in May for national elections—more than a year earlier than mandated by the Constitution—came during a heated campaign against his chief political rival, former Constitutional Affairs Minister Charles Njonjo. Moi probably viewed the elections as a means to reassert his authority, which had come increasingly into question due to his indecisive handling of the Njonjo affair.



Camera Press ©

President Daniel arap Moi, reelected in August 1983 to a second five-year term, is a skillful grass-roots politician. Because he has learned to operate masterfully in the cutthroat atmosphere of Kenyan tribal politics, he has remained in the highest ranks of the party and government for over 20 years. In August 1982 he weathered Kenya's first coup attempt since independence; in its wake he has moved to quell dissent and avert further challenges to his leadership. A member of the minority Kalenjin ethnic group in the Rift Valley Province, he draws his support from the country's non-Kikuyu tribes and the Army. He is strongly pro-Western.

Moi, 58, is widely traveled and has visited the United States several times. He is a former schoolteacher who has substantial business interests in Kenya. Divorced, he has seven children.

According to the US Embassy, overall voter apathy and the obvious reflection of Kikuyu discontent represented the most significant characteristics of Kenya's 1983 general elections. In sharp contrast to previous balloting, only 40 percent of the electorate voted. Non-Kikuyu voters reelected some two-thirds of the

incumbent candidates and returned a higher proportion of Kenyan ministers and assistant ministers to office than in prior elections. The Kikuyu, however, replaced nearly 60 percent of their incumbent representatives to Parliament, with the poorest showing among those closely associated with the Moi regime. Of the 13 Kikuyu ministers and assistant ministers standing for reelection, nine were defeated. According to the US Embassy, such a turnover is unprecedented and demonstrates the tribe's deep dissatisfaction with Moi's presidency.

Voters—with the exception of the Kikuyu—appeared to focus on parochial economic issues and factional rivalries among local candidates. Moi, however, has publicly interpreted the results as evidence of a national mandate and concluded that most of his countrymen are united behind him and his pro-Western policies. He probably will look to the defeat of many supporters of the aging leftist Oginga Odinga, titular head of the Luo tribe—historically the second most influential ethnic group—as a further demonstration of support for his regime. According to the US Embassy, however, Odinga appears to have lost much of his influence among the Luo.

Building on the firm support of his coalition of minority tribes, Moi named a government that is smaller, ethnically more heterogeneous, and, according to the US Embassy, more capable than the previous one. We believe one of Moi's key criteria in filling posts was loyalty. Elijah Mwangale, for example, the former Minister of Tourism, was promoted to Foreign Minister as a reward for being the first publicly to denounce Njonjo; and Hussein Mohamed, the younger brother of the new Air Force Commander Gen. Haji Mohamed, became a minister of state in the office of the President.

Moi also attempted to placate Western donor nations, which were pressing for a more streamlined government. Although internal political considerations precluded deep cuts—only five cabinet members were not reelected—Moi did reduce the number of ministries from 27 to 21, ministers from 27 to 23, and assistant ministers from 49 to 42. He consolidated the Ministries of Finance and Planning and appointed an apolitical pro-Western professional, George Saitoti, to

the new portfolio. According to the press, the appointment was greeted with approval in international financial circles. He also named a capable pro-Western team with considerable international experience—particularly permanent Secretary Bethuel Kiplagat—to high positions in the Ministry of Foreign Affairs.

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Moi's new government mirrors more closely the ethnic makeup of the country, giving the minority groups a greater share of the power. Minister of State Mohamed, for example, is the first ethnic Somali ever appointed to such a senior position. Thus, Moi has consolidated and diversified his government, but at the expense of the Kikuyu, who had dominated the political life of Kenya since independence 20 years ago.

Moi's Continuing Challenges

The Tribal Rivalries Issue

We believe the elections and the appointment of the new cabinet represent the latest step in Moi's efforts to diminish Kikuyu influence. The tribe constitutes 21 percent of Kenya's population of 18.6 million and is the largest of its 42 ethnic groups. Historically, the Kikuyu have exerted a disproportionate influence on Kenyan politics due to their favored position under the British colonial system and the influence of Jomo Kenyatta—the nation's founding father and the patron of the tribe.

Moi has long felt threatened by the Kikuyu—a fear sharpened by the tribe's well-deserved reputation for playing political hardball and his perception of Kikuyu involvement in the August 1982 coup attempt. Through a series of piecemeal moves accelerated since the attempted coup, he has gradually eroded Kikuyu influence and removed them from key political and economic positions. Moi's efforts against the Kikuyu have been facilitated by heightened factionalism and lack of strong leadership within the tribe since the death of Kenyatta.

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US Embassy reporting indicates that Moi went so far as to orchestrate a campaign of virulent anti-Kikuyu rhetoric in April, with many senior government officials from other tribes accusing the Kikuyu of disloyalty. In May the campaign gathered national attention as Moi maneuvered against Constitutional Affairs Minister Charles Njonjo-a powerful but controversial Kikuyu, alleging that unnamed foreign countries were grooming a "traitor" to take over the presidency. Most informed Kenyans concluded that, although Moi mentioned no names, his thinly veiled remarks were aimed at Njonjo and expected him to resign or be fired. Njonjo refused to step down, however, and Moi initially backed away from direct action against him. Instead, the President called for national elections—on the day he had promised to expose the "traitor"—in part, in our view, to deflect attention from the heated and convoluted affair.

Moi's vacillation—in particular, his failure to denounce Njonjo by name—greatly disturbed and disappointed many of his loyal followers, and Moi apparently felt driven to press the attack to a conclusion to demonstrate his power and to counter charges of indecisiveness. According to the US Embassy, Moi wanted to create the impression that Kenyan politicians in general, rather than he in particular, were the driving force in Njonjo's downfall. Specific accusations against Njonjo finally surfaced in parliament in June; Moi then announced a judicial inquiry into Njonjo's affairs, taking the step that finally drove Njonjo to resign both his cabinet post and his seat in parliament.

We believe Moi's position became stronger with the ouster of Njonjo. Indeed, we agree with the US Embassy assessment that Moi rules alone; with Njonjo's departure, no other Kenyan politician can even approach Moi's stature. The Kikuyu must now look to Vice President Kibaki, a longtime rival of Njonjo as the sole prominent government official able to defend their tribal interests. In our view, the unassertive Kibaki may feel uncomfortable in such a role. According to the US Embassy, Moi sees Kibaki as weak, vacillating, and less independent than Njonjo—factors that clearly have made him appear a far less dangerous political rival. (s)

Although the Kikuyu reflected their bitter discontent with Moi and their ineffectual tribal political leaders in the election, Moi chose not to placate Kikuyu sentiment in naming his cabinet, continuing his policy of limiting their access to positions of power in the government. He reduced by half Kikuyu representation at the cabinet level, dropping them to 17 percent from the 33 percent they held in 1979. Following the 1979 general elections, the Kikuyu retained nine cabinet portfolios; today, they occupy only four relatively unimportant ministries. In at least one instance—the appointment of Kenneth Matiba, an experienced and respected businessman, as the Minister of Culture and Social Services—Moi obviously placed a Kikuyu in a position well beneath his ability.

The new cabinet much more closely approximates the tribal makeup of the country, satisfying Moi's stated intent to establish a more equitable ethnic balance in his government (see table 1). Kikuyu failure to reclect their incumbents gave Moi the opportunity to cut back on their numbers in positions of power. Thus, he was able to use the Kikuyu vote as both a mandate and a rationale to initiate the changes he desired.

Over the longer term, however, we believe that Moi's ethnic policies carry the potential for inspiring serious challenges to his control. If Moi continues to structure the government in closer accord with the country's ethnic makeup, the long-preeminent Kikuyu will find themselves political outsiders. Governing in their stead, under Moi's aegis, would be his own Kalenjin tribe, the Kamba, the Luhya, and other small ethnic groups. In our view, if Moi further circumscribes Kikuyu influence—for example, by limiting their opportunity for government promotions or lucrative contracts—he runs a grave risk. His actions would be particularly dangerous if he so alienated the tribe that it would be driven to overcome its longstanding internal divisions and unite against him. We agree with the US Embassy assessment that, the more Moi threatens Kikuyu interests, the more he increases the

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Table 1	Number of persons
Ethnic Composition of the Cabinet	

1979	1983	
27	23	
9	4	
3	3	
2	2	
2	1	
1	1	
1	1	
1	1	
1	1	
0	1	
1	2	
3	3	
3	3	
	27 9 3 2 2 1 1 1 0 1 3	27 23 9 4 3 3 2 2 2 1 1 1 1 1 1 1 1 0 1 1 2 3 3 3

chances that they will conspire to depose or assassinate him. Kikuyu history is strewn with political violence directed against their opponents, and, denied recourse, they may resort to it once again.

A Troubled Economy

The Current Situation. With the election and the formation of a new cabinet behind him, Moi must again turn to his serious economic problems.² Since 1978 economic growth has not kept pace with the increase in Kenya's population, resulting in a steady decline in per capita income and urban living standards (see figure 2). Inflation and urban unemployment are at record levels of around 30 percent, and corruption is reaching epidemic proportions. These trends are in sharp contrast with the economy's performance during the Kenyatta years, when real growth averaged nearly 7 percent annually and Kenya was touted as a model of successful private enterprise in black Africa

A leading factor in this dramatic turnaround is the decline in world prices for Kenya's agricultural exports—particularly coffee. The falloff in foreign exchange receipts has in the past three years prompted a reduction in imports, but not before Kenya incurred record current account deficits and a shaky international credit rating. Hard currency holdings earlier this year dipped to a six-year low of \$155 million, less than enough for one month of imports. The shortage of hard currency has hit most heavily the country's import-dependent manufacturing sector, and many businesses have been forced to close down or sharply curtail production. Consumer goods also are becoming scarce, and shortages of gasoline and other fuels occur periodically.

Exacerbating the usual requirements for foreign exchange has been the need to import food. Agricultural production has not kept pace with demand because of recurring periods of drought and ill-advised government pricing policies, which caused an increasing number of peasants to revert to subsistence farming. Moreover, government restrictions on local distribution of food crops limit the capability to move surplus food to areas of greatest need.

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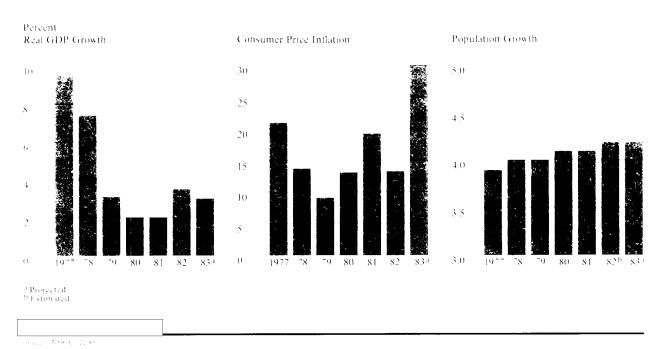
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Moi is relying on Western governments and commercial banks to pull Kenya out of its economic slump, but at the cost of a lengthy period of financial austerity. The International Monetary Fund, as part of a stabilization program, is pressing the Kenyan Government to devise a realistic program to reduce spending and to clamp down on rampant official corruption. The IMF also is calling for a substantial increase in local interest rates, a ceiling on domestic bank loans, and a more efficient procedure for allocating scarce foreign exchange. Other Western donors are pressing the government to reduce its involvement in the economy—particularly in the distribution of agricultural commodities-in favor of private interests. Moi is making some efforts to improve the flow of essential imports by allowing automatic government approval of all foreign exchange applications for industrial raw materials, medicines, and agricultural

Figure 2 Kenya: Selected Economic Indicators



products. Previously, these imports were subject to time-consuming bureaucratic procedures and corruption.

Prospects for 1984. We see no significant turnaround in the economy over the next year or so. A key element in this projection is the likelihood that the world market for coffee and tea will continue to be oversupplied. Nairobi's hard currency revenues also will be hurt by the decline in reexports of refined petroleum products—the result of a shrinking volume of imported crude and the government's decision to divert an increasing share for local consumption. Even foreign capital inflows will show a decline. Several Western governments have indicated that they will withhold funds if, as we believe, Moi tries to reduce budgetary spending by suspending Nairobi's contributions to various projects funded by foreign aid. Cuts in investment spending also will impact on demand for

commercial bank loans. Finally, the government has shown no willingness to increase producer prices to levels that will persuade farmers to boost substantially local agricultural production—particularly food crops.

The absence of a hefty infusion of hard currency poses serious problems for Nairobi. We anticipate little chance that Kenya will be able to relax, on a sustained basis, existing import controls that have crippled local industrial production and helped keep inflation and unemployment at uncomfortable levels. These restrictions also have hampered Nairobi's ability to attract foreign private investment and are affecting the availability of luxury consumer goods required by Kenya's tourist industry. In addition, inadequate funds will increase Moi's reliance on

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Table 2
Kenya: Trade and Financial Indicators

Million US \$ (except where noted)

	1977	1978	1979	1980	1981	1982	1983 a
Trade balance	-89	-921	-801	-1,390	-1,101	-688	-830
Exports, f.o.b.	1,195	958	1,031	1,242	1,089	1,042	1,100
Imports, c.i.f.	1,284	1,879	1,832	2,632	2,190	1,730	1,930
Net services and transfers	-29	184	222	384	332	220	220
Current account	-118	-737	-579	-1,006	-769	-468	-610
Foreign exchange reserves	504	338	520	466	220	195	NA
External debt	920	1,400	1,900	2,500	2,600	2,800	3,000
Debt service ratio (percent)	7	10	12	12	19	26	28

a Estimated.

external financial sources and make him more vulnerable to pressure from his Western benefactors to implement politically controversial economic reforms. He is particularly anxious to avoid having to freeze

government wages or hiring and to reduce operations

of public corporations.

The removal of Charles Njonjo also may have repercussions on Kenya's already fragile economy. Njonjo was viewed by Kenya's Asian, white, and expatriate communities as the man who represented their interests with the government. The Asians, in particular, were badly shaken by Njonjo's fall, and Moi must now reassure them in order to prevent capital flight, disinvestment, and increased emigration by this entrepreneurial class.

1985 and Beyond. Beyond the current financial crisis are other problems over the next five years that could severely test Kenya's political and economic systems. Kenya's food production since the late 1970s has failed to match the country's 4-percent population growth rate, one of the world's highest. Regaining self-sufficiency will be difficult unless additional marginal land is brought into production. Most of the uncultivated areas, however, are highly susceptible to drought and far removed from available sources of

irrigation. The increasing scarcity of farm land, moreover, could inflame ethnic tensions as various tribal groups encroach on each other's territory. Land shortages also will accelerate an already rapid rate of urbanization—Kenya's urban population currently is increasing at close to 10 percent annually—and hamper government efforts to hold down urban unemployment.

Even if land became available, Nairobi could not count on significant increases in production without major changes in agricultural policies. Government-controlled producer prices must be raised substantially. Major improvements also are needed in the rural road network and other farm support services, particularly the availability of agricultural credits for purchasing machinery, fertilizers, and other essential materials. The cost of these changes would almost certainly absorb the bulk of anticipated future government revenues from tourism and the export of coffee and tea. Excessive emphasis on developing the countryside, however, would jeopardize efforts to expand manufacturing, housing, and essential urban services.

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The alternative is to increase reliance on foreign financial assistance, but this approach also carries its own dilemmas for Moi. Of particular concern is trying to satisfy demands by the IMF and Western governments for progress in reducing government spending and corruption. Restraining government salaries will become increasingly difficult as civil servants complain about continued high prices and no compensating rise in income. On the contrary, Moi will come under heavy public pressure to boost government hirings as one way to reduce urban unemployment. Moreover, Nairobi will have to be especially careful in any program to cut expenditures. The military will be watching closely to see what and where cuts are made in defense spending so that the armed forces do not suffer disproportionately from any austerity budgets.

Assuring Military Support

Depending heavily on his coalition of Kamba, Kalenjin, and other minority tribes, Moi recognizes that he needs more than ever the firm support of the military. Since August 1982 he has eliminated the most immediate challenge to his regime—divided loyalties within the armed forces. He has stabilized the military as the cornerstone of his power base by moving aggressively against the Air Force—the perpetrators of the coup attempt. He jailed all Air Force personnel suspected of supporting the coup and, in a move calculated to show his appreciation for Army loyalty, subordinated the Air Force to the Army under the command of the former Deputy Commander of the Army, General Mohamed. In addition, he replaced the commander of the General Service Unit—an elite paramilitary force formerly dominated by the Kikuyu—and downgraded its responsibilities.

Moi strengthened the control of loyal officers, particularly the Chief of the General Staff Jackson Mulinge—a Kamba tribesman whose dominant position within the military remains uncontested.

despite their increased influence, most senior military officers still view themselves strictly as professional soldiers and do not have political ambitions. Most of these officers began military service under British rule with the King's African Rifles, and their apolitical values are fairly deeply ingrained.

Table 3 Kenyan Military Forces

Total	35,500	
Army	13,000	
Navy	650	
Air Force	1,850	
General Service Unit	2,000	
Police a	18,000	25X1

^a Data include 4,000 reserves.

We agree with the US Embassy that, if—as we anticipate—Kenya's internal situation remains relatively stable, Mulinge will be able to keep the military apolitical.

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Despite some grievances—most notably a shortage of permanent housing and lingering discontent in the new Air Force—Moi has generally boosted military morale with increases in pay and benefits,

due to a payroll error, however, 9,000 servicemen—about half of Kenya's military personnel—did not receive the raise that was granted in October 1982. Recognizing the potential volatility of the situation, Moi instructed military finance officials to give all the affected personnel backpay for the past year. He also initiated some construction programs in response to complaints over housing and, as a gesture of his personal good will, authorized the early release of hundreds jailed as coup plotters. According to the US Embassy, the military is content to concentrate on these internal issues and on the question of the eventual successor to 58-year-old Mulinge.

In our view, the two chief contenders for Mulinge's post are Army Commander John Sawe, a Kalenjin, and Chief of Staff of the General Staff Joseph Musomba, a Kamba.3 In late August, Musomba was promoted to major general. Lieutenant General Sawe voted against the promotion, but Mulinge discarded precedent, pulled rank in favor of his fellow Kamba, and overruled Sawe's objection. Normally, a unanimous vote is necessary to promote a military officer to lieutenant colonel and above. The promotion increased the rivalry and animosity between Sawe and Musomba and aroused the fear among other tribal groups that senior Kamba officers are seeking to increase their influence within the leadership.

Both leaders are loyal and competent, but Musomba appears to be more aggressive and ambitious. According to the US Embassy, Musomba could spell trouble for the President if he became chief of the General Staff. If Kenya's political-economic situation deteriorated badly, the action-oriented Musomba might be the more likely to consider military intervention.

Kikuyu officers also are a source of potential trouble for Moi. Moi has long been uneasy about heavy Kikuyu representation in the military and has exhibited his prejudice by promoting members of his Kalenjin tribe into senior positions. The US Embassy believes that the largely Kamba and Kalenjin senior ranks of the Army are discriminating against middle-grade Kikuyu officers, who constitute a plurality in grades of colonel and below.

The August 1982 coup attempt demonstrated the political volatility of the junior officers and enlisted men. Moi and senior officers have kept close tabs on this group in the postcoup environment and almost certainly would quickly become aware of any widescale plotting. Nonetheless, many of these younger men, who entered the service after independence, clearly are less imbued with the British apolitical

military tradition than their seniors and probably are influenced by the successful coups led by low-ranking military personnel in Ghana and Liberia. The lower ranks also are more affected by Kenya's economic problems and would be the most likely element in the military to respond to another downturn in the economy.

Foreign Relations

Tanzania and Uganda. Moi's suspicions of Tanzanian and Ugandan complicity in the 1982 coup plot aggravated relations already strained by the breakup of the East African Community in 1977 and the problem of distributing its assets.4 Kenya's border with Tanzania remained closed for six years after the EAC breakup, and trade among the three nations has been at relatively low levels.

Encouraging signs of a thaw have appeared, however, in recent months. The exchange of numerous highlevel delegations and official statements by all three presidents welcoming the warming trend have created a momentum toward further improvement culminating in the recently announced agreement to settle the assets dispute and reopen the Kenya-Tanzania border. We believe these developments stem from a mutual recognition of the need for regional cooperation to cope with current economic difficulties. The political demise of Njonjo—whose animus for Tanzanian President Nyerere and Ugandan President Obote, according to the US Embassy, contributed to worsened relations—should also further cooperation. Presently, all three leaders are attempting to use Njonjo as a scapegoat for past friction to facilitate their current movement toward reconciliation. We agree with the US Embassy assessment that Moi has made a major commitment to rapprochement with Tanzania and Uganda. Expectations of success are high and still rising in Nairobi, and Moi would suffer a loss of prestige both as a national and regional leader if reconciliation fails. Indeed, if political and economic problems within the three states persist, their leaders

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³ Lieutenant General Mohamed, the Air Force Commander, is a potential third candidate who has impressed Moi with his loyalty. According to the US Embassy, however, he dislikes administrative work and has no apparent ambition to compete for a higher post.

are likely to resort to the past practice of blaming their problems on their neighbors, and old animosities probably will resurface. Ethiopia and Somalia. Kenya is faced with a difficult task in balancing relations with longtime enemies Ethiopia and Somalia, particularly as Nairobi and Mogadishu attempt to forge closer ties with the United States. Ethiopia, although a Soviet client, has a long history of peaceful relations with Kenya, while many Kenyans believe that Somalia has irredentist designs on Kenya's Northeast province, which is inhabited by a large number of ethnic Somalis. The Kenyan Government believes—probably correctly—that Somali President Siad is trying to improve relations with Moi as a tactic to gain more Western aid and to reduce the threat of military cooperation between Kenya and Ethiopia, partners in a longstanding military pact directed against Somalia. Still, Moi has tried to improve relations with Somalia—mainly because he, too, wants greater aid from the United States and other Western nations, which have encouraged a reconciliation. Moi's recent appointment of Hussein Mohamed to the Ministry of State in the office of the President has been welcomed in Mogadishu, which views the first naming of an ethnic Somali to ministerial rank in Kenya as a positive signal	 A longstanding Kenyan oversensitivity to any criticism that emanates from the former colonial power. The few critical remarks made by Britain's Liberal Party leader to the press in April on Kenya's handling of internal dissent, therefore, were blown completely out of proportion and resulted in an official Kenyan protest. Nairobi's sensitivity to London as the primary base of operations for the newly organized Kenyan exile movements. Despite the downturn earlier this year, the US Embassy reports that relations are back on a more even course. In our view, Queen Elizabeth's visit to Kenya in November, will help assuage Moi. Soviet and Libyan Meddling The Soviets believe that the removal of Njonjo has provided an opportunity to increase their influence in Kenya, despite Nairobi's strongly pro-Western stance. 	25X 25X1 25X 25X1 25X1
Britain. In the spring of 1983, Moi encouraged a campaign of innuendo implicating London in the Njonjo affair, thus jeopardizing relations with the United Kingdom—Kenya's main source of economic and military aid. According to the US Embassy, a variety of reasons account for Moi's actions. They include:	Moscow in July negotiated a trade agreement—which necessitated the assignment of the first Kenyan trade attache to the Soviet Union—and offered a credit line of up to \$50 million. The Soviets also replaced their dour, ineffectual ambassador with a more dynamic, appealing representative.	
• The longstanding dependence of the official and unofficial British communities on Njonjo as their interlocutor with the Kenyan Government and a tendency over the past few years to favor Njonjo instead of strengthening relations with Moi and his allies.	The details of the trade agreement were not formally released. According to press reports, it involved Soviet purchases of 3,000 metric tons of sisal and 5,000 tons of tea, plus a probable expansion of purchases of Kenyan fluorspar, coffee, pyrethrum, and other commodities.	25X1 25X2
• A general lack of discretion among the British community in discussing Moi's faults. The British in		

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general have a low opinion of Moi's political and

intellectual abilities.

The Soviets have 54 personnel in Kenya, including Embassy officials, a trade mission, and representatives to the Nairobi-based UN Environmental Program. Nairobi accepts limited Soviet aid, including the stationing of several Soviet doctors in Kenyan hospitals and the provision of scholarships to Kenyan students for study in the USSR

Moi, however, remains wary of Soviet attempts to improve relations.

Kenya became seriously destabilized, however, we believe both the Libyans and the Soviets would move quickly to cultivate disaffected groups and exploit the situation to their advantage. In our view, the Moi government will continue its efforts to monitor and thwart Soviet and Libyan machinations, but opportunities for Moscow and Tripoli to expand contacts will be enhanced if ethnic rivalries increase and economic performance does not improve over the long run.

Prospects and Implications for the United States

We believe Moi will be able to remain in power over the next few years. No well-organized dissident movement or opposition leader with a strong national following has emerged. Moreover, Moi has shown a talent for outmaneuvering potential opponents and for playing off the country's ethnic groups against one another.

Kenya, for historical and practical reasons, has been closely tied to the West since independence, and we foresee no basic change in this orientation over the next few years. As long as Moi continues in office, we believe that Kenya will retain its basically pro-US policy and will look to the United States for still greater economic and military aid in return for allowing continued US military access to Kenyan facilities. The public image of the Kenyan-US military relationship, however, is clearly related to Moi's political position. With Moi appearing more firmly in control than at any time since the coup attempt, public criticism of the United States is muted-and, in fact, was not an issue in the recent elections. If Moi's situation weakened, however, and he felt compelled to increase repressive measures, a visible US military presence would run the risk of inciting anti-US protests. In our view, Moi's leftist opponents-including students, workers, and lower economic classeswould be quick to associate the United States with any internal repression by the government.

On balance, we do not believe that Kenya's current situation offers much opportunity for the Soviets and Libyans to garner influence. In the unlikely event that

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US Interests in Kenya

Kenya is strategically located near the vital sea lanes serving the Middle East oil-producing countries through the Indian Ocean and the Red Sea. Kenyan air and naval facilities provide support to normal US peacetime military operations, including maintenance and logistic support for US forces in the region. Kenya is one of two countries (Somalia is the other) in East Africa where the United States has a formal military access agreement.

The importance of Kenyan facilities has grown signif-

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 relative political stability, and its pro-Western orientation have made it the most attractive of the alternative locations for the deployment of the US forces.

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. A proposed US Navv communications site, also at Mombasa, will provide support for US air, naval, and ground forces operating throughout Africa, the Indian Ocean, and Southwest Asia.

Kenya's moderate policies, market-oriented economy, and, by African standards, relatively open political system have enabled it to play 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 growing autocratic tendencies of the regime.

Moi's problems have caused him to look to the United States for substantial economic and security aid. The 1982 coup attempt has made him particularly anxious 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 expressed concern that US aid levels have not reflected appropriate recognition of Kenyan backing.

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.

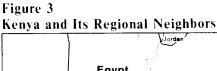
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If internal instability became a serious problem and Moi appeared incapable of maintaining order, the Kenyan military probably would intervene. Although the traditionally apolitical military has increased its political influence under Moi, we believe it probably would not want to maintain for long the burdens of governing. More likely, it would look for someone who would maintain order and respect the military's position. Because of the leadership's pro-Western bent, however, Kenya would be likely to remain on a profree-market course supportive of the United States even during an interim period of military rule.

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For now, Moi's leftist opponents are in disarray. In the unlikely event a radical government came to power in Nairobi, however, 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. Concern over the practical problems of maintaining the support of a populace with a basic pro-Western orientation and of trying to revive Kenya's faltering economy, however, probably would preclude such a regime from rupturing relations with the West and the United States, at least during the early stages of its rule. Even such a regime would recognize Nairobi's heavy dependence on Western trade and aid for its economic survival and is aware of Moscow's poor record in providing economic aid to its African clients.

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