Kakamega, Kenya

STUCK IN THE MIDDLE

Kenya's farmers are caught between the unbridled free market and a corrupt government

By Marc Breslow

Luka Masinde and his extended family live far from the centers of global capitalism. Getting to their home takes, first, a full day's bus ride from Nairobi to the nearest town, Kakamega. Then it's about 12 miles by van to an intersection called Kakunga, eight miles by *boda boda* (bicycle taxi) on a dirt road to the nearest outdoor market, and finally a mile walk through farm fields to reach their land.

Luka, several brothers and sons, and their families live in mud and thatched-roof huts spread among the fields. Women do most of the farm work, planting maize, root vegetables and sugarcane—both for their own consumption and as cash crops. The local diet is minimal, and starvation never very far away. Meals consist largely of three items: *ugali*, a stiff corn meal porridge; *sukuma wiki*, a dish of sautéed kale; and tea.

Neighbors supplement their incomes with small businesses: One has a sugarcane grinding mill used in making local beer, another is a blacksmith, a third cuts and sells lumber. There is no electricity in the area, and none of the families own gas-powered equipment, so all work is done by human or animal labor.

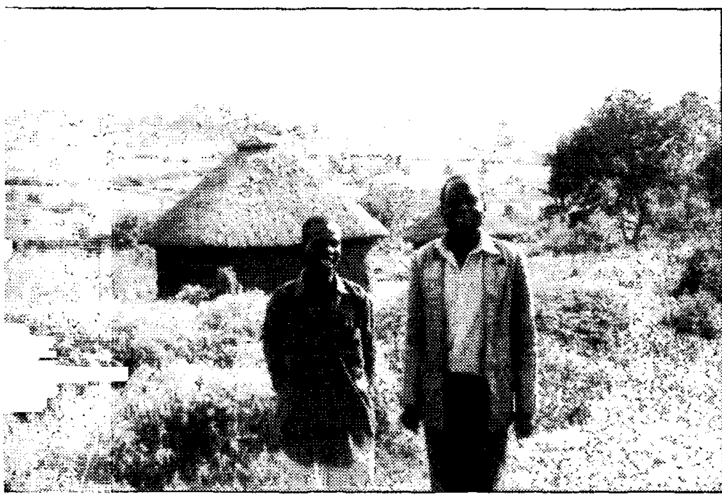
About two-thirds of Kenya's 28 million people still live on subsistence farms similar to those near Kakamega. Under pressure from the International Monetary Fund (IMF) and World Bank, they have been subjected in recent years to an unbridled free market that makes it difficult to survive. At the same time, President Daniel Arap Moi has ruled for more than 20 years through a combination of dictatorial power, violence and corruption.

For families in Western Province, where Kakamega is located, growing enough food and getting enough money for their cash crops are the biggest worries. Luka and his family, although prominent in the local area, can no longer support everyone with what their own farm produces. So, as with many families, they have gone to great lengths to send many of the boys to school. Public education in Kenya is not free, and most families cannot afford to send their children beyond the primary grades. As of 1995, only 24 percent of secondary-age children were in school.

Yet in a nation with few jobs and absurdly low wages, getting an education is not enough. Luka's brother Samuel, a college-educated electronics technician, has been unable to find a permanent job. He has temporary work at the West Kenya Sugar factory, located about eight miles from the family compound, where he makes only 135 shillings a day—barely more than $2. "Even if you have no family, that is not enough to live on," he says. "But you are forced to accept it because there is no other employment."

Across the country, wages for most agricultural and urban workers are at levels that can barely keep one person alive, let alone a family. On May 1, the government raised the minimum wage from 2,000 Kenyan shillings a month to a still-pitiful 2,140 shillings—about $1.50 a day in a nation where six-day work weeks are still the norm. More than one-third of the population remains below Kenya's official poverty line.

Why are their own crops no longer adequate to feed Luka's clan and buy the other necessities of subsistence life? One reason is rapid population growth, and the consequent scarcity of farmland. But selling the crops is also a major difficulty. "During the rainy season, you cannot travel the roads," Luka says. "Nearly everywhere you have to carry your materials, or whatever cash crop you have harvested, on your bicycle or your wagon, which is hard." It's easy to see why: The



MARC BRESLOW

Samuel and Luka Masinde

dirt roads near his home look more like dried-up streambeds. Luka says the government used to come in with heavy equipment and grade the roads, but now says it can't afford to do so.

Farmers in Western Province are also captives of a barely regulated international market for food crops. "The prices we get for our cash crops are low," Luka says, "but the prices for imports [of the same crops] are high." At harvest times, local farmers must sell their crops for whatever price they can get, because the foods are perishable and they have no storage capacity. At other times of year, when local food supplies are short, people have no choice but to buy imported staples, even at higher prices.

There once was a system designed to regulate the ups and downs of the farming year, but that has disappeared. "When there was a lot of production, the government used to buy cereals from the farmers at a fair price and store it—and then when supply was limited, they would sell it to the farmers at a fair price," says Peter, one of Luka's sons, who studied agricultural engineering in college.

But now, under the urging of the World Bank and IMF, Kenya has "liberalized" agriculture—eliminating all efforts to control the free market. The government no longer stores maize, and it allows food imports with few restrictions. Food production per person has fallen by 9 percent since 1980. "We are suffering from liberalization because our economy has not grown," Peter argues. "We have not improved our production techniques, so we cannot compete with our counterparts elsewhere."

Throughout the Third World, the IMF and World Bank take the position that unregulated markets are the best bet for enhancing growth and development. In order to release loan funds, the IMF has demanded that Kenya privatize publicly owned industries, fully open itself to imports, balance the federal budget and create "an enabling environment for local and foreign investors to do business." While it's clear that investors benefit from such policies, they have provided few gains to most Kenyans.

Sam Mwale, an agricultural economist in Nairobi who consults for development agencies, including the U.S. Agency for International Development and the World Bank, is openly critical of liberalization. "In the '70s to about the mid-'80s, when Kenya was being touted as a success, we had a system that worked relatively well," he says. The government funded agricultural research, ran an Agricultural Finance Corporation that provided credit to farmers, bought crops at a guaranteed price, and sold fertilizer and certified seed to farmers at prices they could count on.

The system began to break down not from IMF-induced free market reforms, but due to power-grabbing by President Moi. The national institutions supporting farmers, such as the Kenya Farmers Association and the National Cereals and Produce Board, were an alternative power center that Moi could not tolerate. So beginning in the '80s, he wrecked them—with no objection from the World Bank.

At that time, the government still protected local farmers from international competition. But beginning in 1993, Kenya loosened controls on imports in response to demands by the IMF for liberalization. This change, combined with the subsidies that some countries give to their own domestic farming, has caused a flood of imports into Kenya.

Despite liberalization, imports should be hindered by the remaining duties on them. But these duties can be evaded by people who have influence with the government.

Products such as sugar, perhaps the most important cash crop, come in from abroad at prices that undercut local farmers. In March, the Kenya Sugarcane Growers Association said that massive imports were threatening the farmers' survival. In April, the government finally stepped in, promising to block all sugar imports (except for specific industrial uses) until local stocks were sold. However, the World Bank and IMF have concentrated their attention on dissolving this system of agricultural regulation.

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The international lenders also ignore Kenya's vastly unequal land ownership. While most families face a shortage of land—much of the land is held by a small number of wealthy owners, a result of corruption and the colonial legacy. "Reform as an anti-poverty strategy must involve land reform," argues Wachira Maina, a prominent constitutional lawyer and critic of the government.

Under President Moi, corruption takes various forms. There are huge numbers of people on the government payroll or those of the many state-owned enterprises, helping to ensure Moi's political support—but little money is available for carrying out their agencies' functions. "More than 80 percent of the government budget pays salaries [of people] who do nothing because they don't have the tools to do their jobs," says Mbatao wa Ngai, an economics columnist with the *Daily Nation*, Kenya's leading newspaper. Government contracts often are given in return for bribes, and the work may be done at higher cost than necessary, or not done at all. Taxes can be evaded through payoffs—one reason that the government is so short of funds.

While Kenya's founding constitution provided for democratic mechanisms, over the years Moi has centralized power in his own office. He gradually has shifted government agencies, such as defense, police and immigration into the "office of the president" to give himself more immediate authority. In April, six more agencies lost their autonomy, lengthening the list to 48 departments under Moi's direct control. Among them is the Kenya Wildlife Service, which, as steward of the game preserves, is a major source of revenue—money that Moi may now try to loot for his own purposes.

In earlier decades, the United States and its allied lending agencies were fervent backers of Moi and his predecessor, Jomo Kenyatta, Kenya's founding president. After achieving independence from the British in 1963, Kenya was a bulwark of anti-communism, and the West was happy to overlook corruption, repression and economic failures. But with the collapse of the Soviet Union, the United States began criticizing dictatorial regimes, while demanding democratic reforms and less corrupt uses of its funds. Under international pressure, Moi was forced to legalize political parties besides his own. He is scheduled to leave office in 2002, and a process is underway to write a new constitution by that time.

But the short-term outlook for Kenya is not encouraging. While some democratization may be in the offing, in recent months Moi's political party, KANU, has forcefully showed its intentions to retain a near-monopoly on power, even after its leader leaves office. And many Kenyans are skeptical about the ability of the nation's other parties to rise above Moi's legacy of corruption. Luka Masinde, for example, argues that having been denied power for so long, these parties are only too anxious to grab their share of the spoils.

Many reform-minded Kenyans see the IMF, World Bank and foreign lenders as having a positive influence. Because Moi needs their loans, these institutions have more leverage on the government than anyone inside Kenya. Politically this has been positive, helping to push Moi toward democratic reforms; but economically the free-market policies have been a disaster. Despite the evident failures of IMF-promoted policies, it's difficult to make the case to Kenyans that capitalists could treat them worse than their own government. "At independence we had amazing faith in government," Maina says. "Now, after 30 years, we have developed this amazing faith in the private sector, because the only institutions we see working are private ones—hospitals, schools, garbage collection. ... We are going to have a difficult process of recognizing the problems of private power." ■

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Mixed Signals

By Philip Connors

My radio is a sad specimen. It doubles as a cheap plastic digital alarm clock, and on one of the cross-country journeys of its peripatetic owner the little red needle on the dial broke off. This is no great tragedy. Radio is a medium I negotiate not by visual signpost but by sound, and needle or not I always find WBAI-FM, Pacifica radio's station in New York (the network's other stations are in Berkeley, Houston, Los Angeles and Washington). Pacifica is the only true noncommercial broadcast outlet remaining, so I simply skip anything crass, anything banal, any cheerful voice or bad jingle.

Imagine my consternation then, when on a recent Sunday evening two complete sweeps of the FM band produced nothing but harsh and boorish sounds.

Active Radio: Pacifica's Brash Experiment
By Jeff Land
University of Minnesota Press
179 pages, $16.95

Pacifica Radio: The Rise of an Alternative Network
By Matthew Lasar
Temple University Press
277 pages, $34.95

Where was that island of sanity in the sea of commercial twaddle? Had I mistakenly flipped over to AM? Unfortunately, no. I found Pacifica eventually, though I did not believe my ears. WBAI's movie critic played the audio of one movie trailer after another, introducing each by listing its release date, its director, the notable members of its cast and the studio that bequeathed it. It sounded like a string of commercials to me, so at the end of the hour I was dismayed to learn I had just been privy to Paul Wunder's "summer movie preview."

Given what has happened lately at Berkeley station KPFA (more on that in a moment) this may seem like a trifling complaint. But it is emblematic of the institutional crisis Pacifica now suffers. In a breach this large between professed ideals and actual practice, it's not terribly surprising that a network founded on a pacifist vision finds itself in a fratricidal war.

This year was supposed to be one of celebration for Pacifica as the network marked its fiftieth anniversary, but its listeners and employees have spent far less time in a state of giddy self-congratulation than they have wailing and gnashing their teeth. The trouble boiled over in March, when Pacifica Foundation executive director Lynn Chadwick refused to renew the contract of KPFA's popular station manager Nicole Sawaya. This action was inexplicable even to many of Chadwick's supporters. Sawaya, by all accounts, had managed during her tenure to unite a station riven by distrust and bitterness after a nasty contract negotiation. On her watch the station's listener pledge drive finished $40,000 above its goal after years of the station operating in the red.

Why was Sawaya fired? The best Chadwick offered was that Sawaya "wasn't a team player." This is a shorthand way of saying that Chadwick and other members of the national board didn't appreciate Sawaya's questioning of the board's increasingly bloated budget and tendency toward bureaucratic centralization. (In 1975, less than 1 percent of KPFA's budget went to the Pacifica Foundation. Now it's close to 20 percent.)

KPFA staffers were stunned by Sawaya's dismissal. When Larry Bensky, one of the network's best programmers, used airtime to protest the board's action, his show was pulled and a gag rule was implemented. Since then, the conflict has escalated in a series of protests and recriminations, the most recent climax occurring on July 13, when KPFA veteran Dennis Bernstein quite literally was yanked off the air by management for violating the gag rule. His tussle with guards was caught on the air, prompting a spontaneous sit-in protest. Management called in the cops and had 53 people arrested. The station momentarily went off the air before resuming broadcast with tapes from its archives.

Chadwick was conspicuously silent throughout most of the ruckus, giving the impression of a leadership vacuum. Chadwick claimed her goal was to improve the quality of programming and increase listenership, but her heavy-handed actions had precisely the opposite effect. Sadly, some of the staff and its supporters acted just as irresponsibly. One dim bulb fired shots at Pacifica Foundation headquarters, and protesters branded management with terms like "Pinochetista."

"The only thing I can compare it to is Nixon invading Cambodia," KPFA news director Mark Mericle told the *East Bay Express*, a local free weekly. Such hyperbole—and disconnect from reality—turned Sawaya's defenders into a parody of themselves. The ironies would be comic if they weren't so sad: A radio network founded on the ideals of pacifism, free speech and clear-minded dissent seemed to devolve overnight into gunshots, gag rules and hysteria. So much for champagne and birthday cake.

But the biggest outrage came when an e-mail from Pacifica board member Michael Palmer to Mary Frances Berry, Pacifica's board chairwoman, was made public after it was sent to the wrong person. In that message, Palmer strenuously suggests "shutting down that unit"—KPFA—and selling the station license to a commercial broadcaster for as much as $75 million.

When these clandestine machinations were exposed, any shred of authority the board may have possessed instantly dissipated. Its bluff was called: It either had to sell the station or back down. It chose the latter, and the station's employees were invited back to work in an extremely tense pseudo-truce. In one heartening sign, more than 10,000 people marched in Berkeley on July 31 in a gesture of support for KPFA and its employees. But there's no denying this feud has damaged its connection to the people who really matter: the listeners. The only credible step toward repairing the breach would be for the Pacifica directorate to resign—but I'm afraid we'll sooner see Newt Gingrich as vice president in a Hillary Clinton administration.