WeeklyReview

For the Thinking Person

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THE TELKOM AFFAIR

Anatomy of a promising deal that went sour: Exit of foreign partner marks a defining moment in one of the most grotesque privatisation fiascos in Kenya's history. While the taxpayer soaks up losses, private investors have profited

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letter from the editor

Inside

PORT OF CALL: The President is asking hard and difficult questions in Mombasa, putting the spotlight on the battle for control and ownership of concessions of private terminals, the dry ports and inland terminals along the Northern corridor.

'PRIME MINISTER': Kenya Kwanza opposed the creation of the Office of Prime Minister in the run-up to the August 9 elections, yet last month, President Ruto nominated seasoned politician Musalia Mudavadi as his Prime Cabinet Secretary.

THE STUFF OF DREAMS: Nadia Abdallah always dreamed big. She knew she would one day break the glass ceiling, which she did when she became the youngest CAS.



YOUNG TURKS: One could probably draw a parallel between activists of the Second Liberation and heroes of the armed struggle who delivered freedom from colonial rule but lost out to a conservative lot in the contest for political leadership.

Invasion jokes aside, protect regional relations by obeying international law

hat is happening between Nairobi and Kampala? This past week, Kenyans have been treated to a series of tweets from Gen Muhoozi Kainerugaba, Uganda's then Commander of Land Forces, son of President Yoweri Museveni and one of the leading contenders to succeed President Museveni, in power for 36 years.

Gen Kainerugaba boasted that it would take him and his army only two weeks to capture Nairobi. He called for the dissolution of East African nations and formation of a government in which he would be the commander of the armed forces, his father the President, Kenyan President William Ruto the Deputy President and Rwandese President Paul Kagame the Minister for Defence.

All this, and the subsequent and inevitable demolition of Gen Kainerugaba by Kenyans On Twitter (KOT), was great entertainment. Underlying the humour was a deadly serious cautionary tale. For his troubles, the Ugandan military officer was promoted but stripped of command.

Uganda's rumoured involvement in Kenyan affairs, especially meddling in elections, if true, would be an outrageous violation of Kenyan sovereignty.

To be sure, Uganda and Kenya are friendly nations, with freedom of movement of people and goods, sharing many interests, including an aspiration to form a kind of federation and exist as one entity. But that is still in the future; as matters stand, they are two, separate, sovereign nations.

As such, Kenyans do not deserve or expect any services from the government of Uganda, may it be entertainment by its senior military officers or proposals for the



Mutuma Mathiu

The government of Kenya has a duty to protect the sovereignty and dignity of the Republic. iust as Parliament has a duty to ensure that the government discharges that responsibility. Now, there is no suggestion here that the government should go and make trouble for Uganda or Gen Kainerugaba.

arbitrary and undemocratic appointment of a government by the officers thereof.

Uganda could only interfere in Kenyan elections primarily to secure the interests of Uganda and Ugandan elites. The risk is that those interests will not always be the same as those of Kenyans. The government of Kenya has a duty to protect the sovereignty and dignity of the Republic, just as Parliament has a duty to ensure that the government discharges that responsibility.

Now, there is no suggestion here that the government should go and make trouble for Uganda or Gen Kainerugaba. Absolutely

not. As a matter of fact, Gen Kainerugaba is free to express himself and discuss his ideas to the fullest extent allowed by his country. He is totally free, at his own time and cost, to goosestep the length of Uhuru Highway, should he choose. But the two countries, in the interest of respecting each other and protecting the good relations that exist between them, should respect boundaries and allow themselves to be constrained by the requirements of international law.

The two countries have different values, as so eloquently expressed by Gen Kainerugaba, and different political systems.

Kenyans wish to soldier on with, and perfect, their limping democratic experiment. Sometimes this leaves the country weak and vulnerable to external interference; it is work in progress. Ugandans have every right to choose their own path.

This incident demonstrates the importance of President Museveni allowing the people of Uganda to choose his successor in a free and fair election.

Secondly, it also shows why it is so important for the President to oversee his own succession and peaceful transfer of power, if for no other reason than to ensure that the incoming leader does not send a column of tanks into neighbouring countries.

> mmutuma@ke. nationmedia.com



the telescope

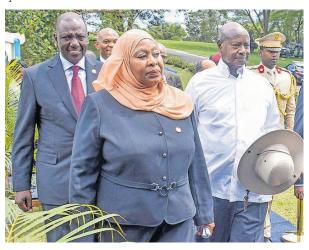
■ Trade talks to top agenda in Dar es Salaam

Ruto set for state visit to Tanzania

President William Ruto is this week expected to tour the United Republic of Tanzania. The trip comes a few days after he visited Addis Ababa to witness the official launch of Safaricom Ethiopia, a Kenyan-owned telecommunications firm that has set up business in the country. President Ruto was also expected in Kampala at the weekend as chief guest at Uganda's 60th birthday celebrations. He was also primed to meet manufacturers and the business community.

In Tanzania, President Ruto will hold talks with President Samia Hassan. Ruto recently referred to Hassan as the 'aunt' of the East African region when she graced his inauguration in Nairobi and even accorded her an opportunity to 'greet' the nation.

Kenya and Tanzania have experienced lukewarm relations in the past decade and especially during the reigns of Presidents Uhuru Kenyatta and John Magufuli, whose climax was the burning of day-old Kenyan chicks at the Namanga border point in 2016. The two countries, however, share a deep historical past with interests in trade and culture, which will likely be the focus of the talks between the two Heads of State.



President William Ruto, Tanzanian President Samia Hassan and Ugandan President Yoweri Museveni at a past event.

■ Hundreds of dedicated military satellites



Ukrainian BM-21 'Grad' multiple rocket launcher fires a rocket towards Russian positions in an undisclosed location in the South of Ukraine on October 3, amid the Russian invasion against Ukraine. PHOTO I AFP

Space, the unseen frontier in Ukraine war

The war in Ukraine has underlined the growing importance of space to armies on the ground. The head of the US Space Force, General Jay Raymond, describes it as the "first war where commercial space capabilities have really played a significant role". It is also the first major conflict in which both sides have become so reliant on space.

Gen Raymond — whose service is the newest branch of the US armed forces — avoids giving precise details of how the US and its allies have been helping Ukraine. But he gives a clear indication of what it has been doing. "We use space to help strike with precision; we use

space to provide warnings of missiles, of any threat that could come to the United States or to our allies or partners," he says. There are already more than 5,000 satellites in space, most operated for commercial purposes. But among them are hundreds of dedicated military satellites — the US, Russia and China having the largest number.

Ukraine has none. But it has received significant help from the West in a number of ways, including provision of intelligence, surveillance and reconnaissance – or ISR.

Ukraine has also had access to unprecedented amounts of commercial satellite imagery.

■ They need clearance from KRA and EACC

MPs to begin vetting of CS nominees



The National Assembly is expected to begin vetting Cabinet nominees following President William Ruto release last week of a list of 21 names. The Head of State has since forwarded the list to Parliament for vet-

ting under the Parliamentary Approval Act 2011.

All the nominees require clearance from the Ethics and Anti-Corruption Commision, Kenya Revenue Authority and Higher Education Loans Board. The Directorate of Criminal Investigations will be present during the vetting. The committee will also establish if the President made the appointments under the guidance of the two-thirds gender rule.

■ They seek to make racing more competitive

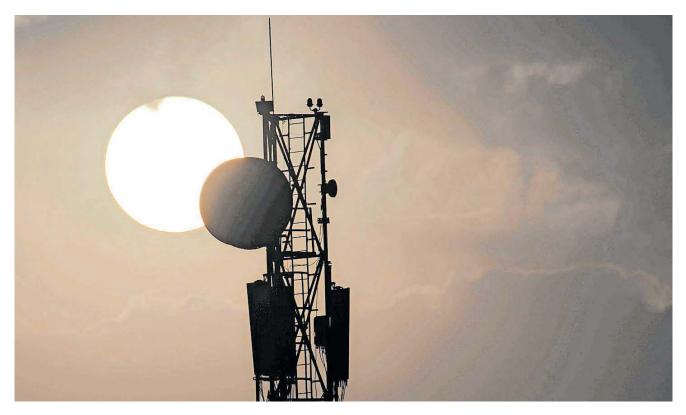
Enforce F1 cost cap rules, says Hamilton



Seven-time world champion Lewis Hamilton says that any team breaking Formula One's cost cap must be punished, after governing body FIA pushed the findings of an investigation back to next week. FIA had been due to reveal this week if any team had breached last season's \$145 million budget cap, but released a statement instead saying the report would be delayed. Rival teams claimed at last weekend's Singapore Grand Prix that two teams, thought to be Red Bull and Aston Martin, had exceeded the cap, which was introduced last season to make racing more competitive. Red Bull's Max Verstappen pipped Hamilton of Mercedes to last season's title on the last lap of a controversial final race in Abu Dhabi.

■ ANATOMY OF A PROMISING DEAL THAT WENT SOUR

The government wrote off billions of shillings in taxes that Telkom owed to the Kenya Revenue Authority before privatisation. Hundreds of millions were incurred in fees to transaction advisers and many people lost their jobs



A silhouette of a communication mast in Nyeri town. After the privatisation of Telkom Kenya, the government had to sink in more billions in shareholder loans that it extended to the company while it was under the management of France Telecom, JOSEPH KANYI I NATION

TELKOM'S TOUGH CALL

Bv JAINDI KISERO

he planned merger of Telkom Kenya and Airtel Networks was blocked by the National Security Advisory Committee (NSAC) on grounds of risk to national security, The Weekly Review has established.

A meeting of NSAC held on October 28, 2019 came to the conclusion that the planned merger stood to compromise national security on the following grounds: First, Telkom Kenya provides critical government communications services to the Office of the President, State Houses, the government data centre, the Ministry of Interior, the General Service Unit and the ICT Authority, including government hotlines, the Government Common Core Network that supports the Integrated Financial Management Information System (IFMIS), and the Department of Defence's restricted communications networks.

Secondly, Telkom Kenya's data centres, data

rooms and base stations manage critical security infrastructure, including carrier services, landing stations, undersea cables and meetme rooms. Consequently, the Head of Public Service, Joseph Kinyua, wrote to Cabinet Secretary for National Treasury and Planning Ukur Yatani, informing him that NSAC had reviewed the security implications of the proposed merger and directed that it be stopped.

The proposal had intended to have key assets in the deal, including Nairobi Telephone House, Mombasa Telephone House that contains the Meet-Me Room where undersea cable terminates in the coastal town, and another Meet-Me Room in Nyali, where another set of undersea cable terminates.

NSAC argued that the proposed merger would render government communication vulnerable to interception since the new joint venture company between Telkom and Airtel would not be under government control. The committee pointed out that the Nyali and

Mombasa Meet-Me rooms were especial critical to national security as they are the only points at which any cyber security action can be managed effectively. The merger had major security implications because the current Telkom communication architecture does not exclusively demarcate Government of Kenya security communications infrastructure from the rest of the general network.

With the collapse of the proposed merger of the two financially-troubled mobile companies in 2019, the stage was set for the exit of the private equity firm, Helios Investment Partners, from the shareholding of Telkom in a transaction that has precipitated the return of the company to total state control and own-

Documents tabled in the National Assembly recently revealed that in a transaction steeped in secrecy and perfectly timed to happen in

...Continued on Page 6

■ HELIOS OFFLOADED ITS 60PC STAKE AT SH6BN

What next for wobbling giant?

...Continued from Page 5

the last few days of former President Uhuru Kenyatta's tenure, Helios Partners quietly offloaded its 60 per cent stake in Telkom to the government at Sh6 billion.

Indeed, the return of Telkom Kenya to the hands of the state represents one of the rare cases where a private equity fund exits from an investment by handing over the asset back to the original owner. In the majority of cases, the private investor exits after sweating the asset for a much longer period, then exiting either through sale of the asset to other funds or, in the best case scenario, through an initial public offering.

Helios Partners' exit from the shareholding of Telkom marks the end of a chapter of what ranks as the most grotesque privatisation fiascos in the country's history. The taxpayer took all the losses while the private sector hogged the gains.

Sample the following: the government sold 51 per cent of Telkom to France Telecom for \$390 million (about Sh47 billion) in 2007. And, in preparing Telkom for privatisation, the taxpayer spent much more money. The government wrote off billions of shillings in taxes that Telkom owed to the Kenya Revenue Authority. Hundreds of millions were incurred in fees to transaction advisers.

After the privatisation, the government had to sink in more billions in shareholder loans that it extended to the company while it was under the management of France Telecom.

More significantly, the privatisation of Telkom came at a high social cost to the country because 15,000 former employees had to be sent to the streets.

In November 2012, five years after selling the company to France Telecom, the taxpayer was forced to shoulder an even bigger burden when the government was forced to pay billions in a recapitalisation and restructuring plan that entailed conversion of a Sh6.9 billion shareholder loan in-



Telkom Kenya technicians at work in Nairobi.

to equity and provision through the supplementary budget of 20112/2013 of an additional Sh2.4 billion towards recapitalisation of Telkom.

In that transaction, the Cabinet also accepted that government shareholding in the company would be diluted from 49 per cent to 40 per cent in the event that the government was not able to provide the Sh4.9 billion to fund the company in 2012. When the government failed to fork out all the cash, the state's shareholding was diluted to 30 per cent.

Helios Partners, whose CEO is the Nigerian national, Babatonde Soyoye, stepped onto the scene in November and tabled a 'heads of terms' to the National Treasury, whose approval the private equity firm sought to buy off shares held by Orange Telecom in Telkom Kenya.

Government approval had to be sought since the state had pre-emption rights over the shares in accordance of a shareholders' agreement the parties signed in 2007.

Documents seen by *The Weekly Review* show that the conditions for the transaction included a requirement that Helios provides evidence satisfactory to the government that it is a financial investor with an existing investment portfolio of a minimum of \$300 million in value.

Perhaps more critical, Helios had to provide the government with a draft technical service contract with a telecommunications operator.

In other words, the government was only ready to approve the deal on condition that the investor met the technical conditions and terms under which the company was sold to France Telecom in the very first place.

There were several other conditions. Helios had to provide a transition plan acceptable to the government for the technical, operational and brand agreement and arrangements put in place between the company and Orange Telecom. In addition, the investor had to provide a business plan containing a firm commitment on turning around the company to bring it back to profitability.

Finally, the parties agreed on a lock-up period of three years. They also committed to support a future listing of the company on the Nairobi Securities Exchange.

Six years later, Telkom's performance under Helios remains mixed. The biggest revenue earning achievements have been in asset sales.

In 2018, Telkom offloaded the multi-storey Extelecoms House on Haile Selassie Avenue to the Central Bank of Kenya at a consideration of Sh1.15 billion. A few months later, the company announced that it had sold 720 tower sites in a sale and lease back deal to the American Tower Company at a consideration of a whopping Sh16.9 billion.

How much money did the private equity firm commit to spend on Telkom? Going through the business plan, Helios did not indicate plans to raise money to inject into the business.

The money for the first phase of the business plan (five years) was to come mainly from two sources, namely, a loan of \$75 million from France Telecom and sale of non-core assets, mainly property. In the second phase, the sources of funds were to external bank debts and additional shareholder loans.

The business plan also stated that any equity would only be injected after the shareholders had exhausted borrowing options.

Helios indicated to the government very early that they had no funds to commit. France Telecom would continue to make profit from lending money to Telkom on non-commercial rates.

■ JITTERS OVER CHANGES AT KENYA PORTS AUTHORITY

VICIOUS FIGHT FOR THE PORT

The President is asking hard and difficult questions in Mombasa, putting the spotlight on the battle for control and ownership of concessions of private terminals, the dry ports and inland terminals along the Northern corridor

By JAINDI KISERO

s businesses at the Mombasa port re-adjust to the new normal thrust upon the sector by President William Ruto's decision to dismantle the monopoly that the Standard Gauge Railway has been enjoying over other transport modes in haulage of containers to Nairobi, sources say the new administration could introduce more changes.

These are bound to disrupt interests and fortunes of power-broking networks that have been aligned to and survived on the patronage of the administration of former President Uhuru Kenyatta in major ways.

Well-informed sources have told The Weekly Review that President Ruto had called several meetings this week to ask hard and difficult questions about some of the controversial policy decisions that were made by the past government, especially during the second part of the Jubilee administration.

Questions on the table included why the amorphous entity known as the Kenya Transport Logistics Network that was created two years ago by presidential decree and that is headed by Mr John Ngumi became necessary, and justification for the transfer last year of responsibility over the port from the Ministry of Transport, Public Works and Infrastructure to the National Treasury.

There are also queries about the plan announced last year by the National Treasury for concession of the three berths in Lamu to Dubai World Ports and the controversial decision to transfer ownership and control of the Japanese-built second container terminal to a new outfit co-owned by Mediterranean Shipping Lines (MSC) and state-owned Kenya National Shipping Lines (KNSL).

The stakes are high indeed because President Ruto is shining the spotlight on an arena where some of the most viciously fought



Cargo trucks at Kenya Ports Authority on June 16. There are queries about the controversial decision to transfer ownership and control of the second container terminal to a new outfit to co-owned by Mediterranean Shipping Lines and state-owned Kenya National Shipping Lines. KEVIN ODIT I NATION

political struggles are happening in Kenya today, namely, the fight for control and ownership of concessions of private terminals, the dry ports and inland terminals along the Northern corridor.

Perhaps where the stakes are highest is the struggle for control of the second container terminal. Whether the President will reverse the plan to hand over control of the ultra-modern facility to the outfit co-owned by MSC and the KNSL remain to be seen.

The plan, widely believed in maritime circles to have the backing of powerful insiders of the outgoing administration, would have been closed were it not for a court injunction lodged by Mombasa-based civil society groups

Why was the government in a hurry to transfer ownership and control of the most profitable part of KPA business to an entity that is under the control of the Mediterranean Shipping Company (MSC)? Where was due process in this transaction?

who are said to be acting at the behest of an international shipping line in a proxy pitting two international players.

As it is, the manner in which the past administration was handling the matter raised several question. Why was the government in a hurry to transfer ownership and control of the most profitable part of KPA business to an entity that is under the control of the MSC? Where was due process in this transaction?

Critical voices questioned why the transaction was not being managed transparently through a competitive procurement process and why details and terms such as concession fees, tenor, service level agreements, investment benchmarks, throughput fees and sanctions for default on performance, were not being dis-

As it was to play out, the criticism was not headed because the transaction had the backing of influential power-broking networks within President Kenyatta's administration.

An episode that happened in September last year added to the perception that the KNSL and MSC deal had high-level political backing.

One Thursday, the KPA board had convened in Mombasa to deliberate over several issues, including a resolution to rubber-stamp the deal. During the meeting, a number of board members resisted the idea and demanded a comprehensive paper on the pros and cons of the deal for KPA's financial health, and the legal implications.

That afternoon, the board members were hurriedly called back to Nairobi by the National Treasury and directed to attend an urgent meeting at the headquarters. At that meeting, they were read the riot act and ordered to sign the resolution to rubber-stamp the

Yet in resisting the deal, the board members of KPA based

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■ SICK AND TIRED OF TRICKLE-DOWN ECONOMICS



By MBUI WAGACHA

he leaders of the UK and US have ignited a colossal macroeconomic policy debate, providing key pickings for the stance and economic directions the Kenya Kwanza regime can take in the short- to medium-term. It can take its time, tap into creative ideas and lay the ground for economic recovery with vigilance and assertiveness.

US President Joe Biden kick-started the debate weeks ago, tossing the first policy missile in a swipe at new British PM Liz Truss's Growth Plan that strayed to tax cuts for the rich, supply-side reforms and spending cuts, embracing a famous case of macro policy theory colliding with reality called 'Reaganomics' or Thatcherite economics.

Joe Biden, a lifetime Democrat, compared the approach with his current macro-stance and mocked: "... Sick and tired of trickle-down economics. It has never worked. We are building the economy from the bottom up, middle out."

The key tenets of US Democrats were at play against Republican tenets. As increasing inequality marks most rich economies, trickle-down not only delivers poor long run performance in growth, but it drives inequality against 'Wanjiku,' Kenya's equivalent of the underclass. The trend disproportionately delivers economic benefits to the rich.

Kenya Kwanza's bottom-up is ideologically aligned with US Democrats who, since 1945, have delivered annualised average economic growth at 3.9 per cent when in power. They outperformed the Republicans' trickle-down of 2.5 per cent. Inflation-adjusted GDP grew faster by 1.6 per cent under the Democrats, while average private sector jobs grew at an even higher rate: 2.5 per cent faster under Democrats.

The stakes are thus high for

MAKING SENSE OF BOTTOM-UP

Kenya Kwanza's model is ideologically aligned with US Democrats who, since 1945, have delivered annualised average economic growth at 3.9 per cent when in power



The Central Bank of Kenya. President Ruto's fiscal position to cut spending by Sh300 billion (cutting borrowing and waste) and to partly fund revenue gaps with a wealth tax is the right call.

Kenya's bottom-up stance in the long-running ideological debate. To prove the success of its approach over a five-year term, Kenya Kwanza must be vigilant and get its headline macroeconomic policy stances right from the beginning, without which things can go south fast even with strongly funded policy drivers such as the Hustler Fund, agriculture, health, and affordable housing. In Kenya, the debate defines the divide between the rich few and a majority that in all sectors pursues equal opportunities and improved standards of living.

That is why the Growth Plan unleashed a popular backlash, forcing PM Truss to throw into the dustbin some key initiatives announced September 23. The bustup portrays the wreckage of the worst policy start of a British government in living memory, an experience Kenya Kwanza needs to dodge.

The doomsday package contained favours for the rich. It scrapped a planned 45 per cent increase in corporate tax for earners above £150,000; removed curbs on bankers' bonuses; cut stamp duties; and proposed taxpayer-funded support with energy bills. Alarmingly, it was mum on an approved 25 per cent wind-

fall tax on historic earnings (£170 billion) of oil and gas giants, all this at a time of the worst cost-ofliving crisis in decades. Summing up a proactive (expansionary) fiscal policy stance, Truss expects to spur growth with tax cuts, especially to the rich. How to refill the coffers? Unspecified borrowing will be tapped into.

Of course, this will raise the fiscal deficit and trade deficit. Future taxes will fill the gap (US\$45 billion) left unfunded by the tax cuts amounting to about 1.5 per cent of GDP. Giving the tax cuts to the rich now means this: borrow to fill the revenue gaps, then have taxpayers foot debt repayments down the road, but be silent about the interim surge in inequality or dress it up as hopes for future prosperity.

One lesson is how not to implement a conflicted (or opposing) fiscal and monetary policy mix. A normal central bank responds with tightening of monetary policy by raising interest rates to defend inflation benchmarks. This negates the expansionary impact of the fiscal stimulus.

It can crunch the economy with restricted access to credit for investment to claw back growth performance expected from the tax cuts. Among policy mixes, this conflicted fiscal/monetary policy mix was most dramatically played out during the Reagan/ Volker era in the 1980s.

Unsurprisingly, UK financial markets went into a spin, including depreciation of the British pound by historic margins and a slump in bond markets that raised public borrowing costs for to near emerging-market rates (think of Kenya's predicament today). The Bank of England (having raised the policy rate by 0.5 per cent to 2.25 per cent to stave off inflation in a stance called monetary tightening) had to revise its monetary policy decisions. It veered from rate increases to an unlimited long-dated bond-buying programme in defense of financial stability.

This never resolves the tensions between the conflicted mix of fiscal loosening and monetary tightening. It is the classic stance of Republican/Conservative supply side policies with a trade-off between high growth and high interest rate, the weaknesses Biden identified.

Furthermore, without specific measures to spur growth and re-grow revenues, the stance is weakened by scant evidence of success: correlation from tax cuts to better prospects for growth is



President William Ruto

erratic, rendering the fiscal policy stance risky.

The IMF spokesperson on September 27 (uncharacteristically, compared with IMF insistence on austerity in poor countries like Kenya) weighed in with free advice to the UK: "Given elevated inflation pressures in many countries, including the UK, we do not recommend large and untargeted fiscal packages at this juncture, as it is important that fiscal policy does not work at cross purposes to monetary policy." Again, the IMF makes the call in its warning that the effects are likely to increase inequality rather than foster economic prosperity for the UK.

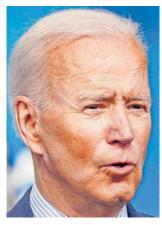
What are the takeaways for Kenya and what are specific tools available to avoid the pitfalls? Headline decisions should be made early on creative measures boosting domestic output and exports, with spending tilted to private sector investment.

Macroeconomic Policy Mix:

The appropriate macroeconomic framework for steering the economy can be proposed from periodic reviews of performance and forecasts of economic indicators.

This calls for top-level coordination between the two sides of the isle, fiscal and monetary policy experts. The current slump in the economy with anaemic indicators and IMF austerity are key traps to be reversed in the shortto medium-term.

We have been there before. When Kibaki took power from Moi in 2002 (GDP growth 0.6 per cent), he worked with tact and experts to achieve top performance by 2010 (GDP growth 8.1 per cent). Compare this with a forecast of



US President Joe Biden

5.1 per cent growth in 2023.

With strong links between the National Treasury and CBK at the time, Kibaki implemented a tight (contractionary) fiscal policy, creatively combining lower spending with reduced borrowing. The shift forced banks to increase lending (expansionary monetary policy) to the private sector.

The ensuing macro policy combination was tight fiscal policy and expansionary monetary policy which helped government to achieve recovery from 2002 to 2008. In the mix that tilted output to a private-sector oriented recovery, jobs and household incomes recovered, and people had money in their pockets. From the output, government rebuilt revenues massively from Ksh300 billion to over Ksh1 trillion by 2010, allowing for historic debt repayments. Public debt tapered from 78 per cent of GDP in 2002 to 38 per cent by 2010. By the 2008 global financial crisis, different issues arose and a more resilient economy permitted a less stressful policy mix.

So far, President Ruto's fiscal position to cut spending by Sh300 billion (cutting borrowing and waste) and to partly fund revenue gaps with a wealth tax is the right call. He needs to sell the idea to MPs and counties. It speaks creatively and specifically to the fiscal policy stance of switching to non-loan resources and funding the recovery.

In contrast, the CBK monetary policy committee's recent decision to tighten monetary policy with an uptick in the policy rate from 7.50 per cent to 8.25 per cent to fight inflation is pointedly contractionary, a reverse gear misaligned to current economic conditions and inappropriate in the resulting policy mix for the Kenya Kwanza agenda.

The spike in rates will restrict access to credit for MSMEs and increase mortgage rates targeted in expansion of affordable housing, for example. It dampens GDP growth, raises interest on domestic debt and curtails economic recovery. Unfortunately, unlike the Bank of England, which softened the PM's wrecking job by revising the strategy of inflation-fighting rate hikes, opting for a long-dated bond-buying programme to defend financial stability, the CBK does not have the experience nor a reliable framework to implement such a rethink. It also faces challenges in a financial sector that has strayed from financial intermediation to predatory practices peddled as financial inclusion and digital innovations.

The resulting fiscal and monetary policy mix (creatively expansionary vs tight, respectively) is thus as conflicted for economic recovery as Liz Truss's. It puts barriers to tilting and easing recovery to the private sector and props up severe austerity. Engaging such a mix will deepen recession, restrain investment and consumer spending, and throw more people out of jobs, just when recovery is critical for the Kenya Kwanza manifesto proposals.

Public Finances: Kenya's public finances and monetary policy must be reformed in a creative, announced, forward-looking and coordinated macroeconomic policy framework, aligned to support the Kenya Kwanza manifesto promises while removing long-standing structural defects in the fiscal and budget-making process as well as the monetary sector. Some defects in public finances can only be cured by professionalised services that cut waste and run budget allocations. While fiscally strapped, we should stop digging on worsening debt and revenue weaknesses apace.

The current account deficit and public debt heading towards 70 per cent of GDP make for weak savings while we live unsustainably beyond our means. Further borrowing is constrained by punitive yields from non-concessional external sources and by conditions for austerity on the concessional side. While working at the presidency, I designed and advocated a US-style Office of Management and Budget that professionalises budget-making, and which the President committed to in a public announcement. The framework exists with Budget Formulation and Execution, Management of the Fiscal System and Competences, Regulatory Review, Legislative Clearance and Coordination, and President's Executive Orders and Memoranda, which can be aligned to the Kenya Kwanza agenda.

Second, we should dispense with the regular haggling framework on the securities market where major buyers of government debt seem organised enough to muscle their desired Treasury and Bond rates from the CBK as a fiscal agent of government borrowing. Major economies (and even our neighbour Uganda) are able to license primary dealers whose function is to make and trade government debt in a market-driven secondary market.

Third, government should call the bluff of major enterprises, both domestic and foreign, which repeatedly obstruct probes into tax evasion and transfer pricing. Are they in cahoots with the legal system when they halt government watchdogs and institutions such as the Capital Markets Authority probing transfer pricing, shifting profits abroad and corporate governance breaches perpetrated by majority shareholders?

Who knows what happens in legal backstreets? Paradoxically, government itself stonewalls global measures for tax transparency. Kenya among poor countries singularly rejected a global minimum tax agreed to by 137 nations accounting for over 90% of global GDP.

Unsurprisingly, it is permissive in illicit capital flows as researched in the Report of Global Financial Integrity (2018). It lost billions of shillings in under-invoicing, under-declaring, or overestimating the value of import and export goods: "For 2013, identified potential revenue losses exceeded Sh91 billion or about 8 per cent of total Kenyan government revenues in uncollected VAT, Customs Duties, Corporate Tax". Cure the cracks shifting the tax burden from the non-compliant many to the few compliant taxpayers.

Dr Wagacha is a former senior economic adviser, Executive Office of the President

kenva lens

■ THE PRESIDENT HAD CAMPAIGNED AGAINST NEW POSITIONS

PRIME MINISTER BY WHATEVER NAME

Is this position crucial in facilitating services to the electorate, or was it a mere campaign tool for winning over votes?

By OSCAR OBONYO

e vehemently opposed the creation of the Office of Prime Minister in the runup to the August 9 elections, yet last month, he nominated seasoned politician Musalia Mudavadi as his Prime Cabinet Secretary. The action by President William Ruto begs a host of questions on the relevance - operational or political - of this office in government.

Is the position of PM - implied by varied terms - a crucial office in facilitating services to the electorate, or as it a mere campaign tool for winning votes?

Alternatively, does the office complement government efforts of political inclusivity at the top leadership? Answers to these questions must have partly persuaded the President to change his tune on the PM slot.

Initially, Dr Ruto chided his opponent, Raila Odinga, over "obsession with political positions". The Orange Democratic Movement (ODM) leader and former President, Uhuru Kenyatta, who unsuccessfully promoted the Building Bridges Initiative (BBI) during the last Parliament, envisaged a scenario where the PM's position would help achieve national cohesion and inclusivity in

The two argued that the extra positions of PM and two deputy slots would expand the Executive and thereby accommodate more people at the top

And akin to the National Accord and Recon-

ciliation Act (2008) that assigned immediate former PM Odinga the "authority to co-ordinate and supervise the execution of the functions and affairs of the government, including those of Ministries", subsequent posts caricatured around the PM's office have similarly fashioned their roles around "coordination and supervision of government functions and ministries".

Unveiling his Cabinet on Tuesday, September 27, for instance, the President explained that Mudavadi's roles would involve assisting the President and Deputy President in "coordinating and supervising Government Ministries and State Departments".

But except for the clarification by the President that the Amani National Congress leader is the third highest ranking officer in the Executive, a thin line differentiates the roles assigned to Mudavadi and Deputy President Rigathi Gachagua.

Third Way Alliance political leader Ekuru Aukot, who served as Director of the Committee of Experts on constitutional review, attributes the clamour for premiership to "the character and nature of our politics" which, he observes, is based on a reward system. In a way, therefore, the slot is technically a key component of campaign negotiations to be shared $out to the third \ highest-ranked \ political \ player.$

The lawyer argues that the PM position is geared towards rewarding political allies and not improving service delivery.

Curiously, the quest for the post of PM is mainly an obsession of the political class every five years - at election time. This time round, the Kenya Kwanza and Azimio protagonists separately crafted and reserved the slots for former vice-presidents Mudavadi and Kalonzo Musyoka respectively. Mudavadi was lucky one.

There is no denying, nonetheless, that if used well, the position of PM is central to and powerful in execution of Government programmes. When he fell out with Ruto as his deputy, for instance, Kenyatta - through Executive Order No 1 of 2019 - gave Dr Fred Matiang'i or "Super CS", as he was referred to, sweeping powers of providing "supervisory leadership throughout the delivery cycle of all



Musalia Mudavadi

national government programmes and projects". There was also Charles Nyachae, who served as Chief Secretary under President Daniel arap Moi between 1979 and 1987, and wielded a lot of influence. At one point, an enraged Martin Shikuku, the vocal MP for Butere, rebuked him for what he termed, "behaving like a Prime Minister".

The only other very powerful civil servant in the Moi regime after Nyachae's exit was Hezekiah Oyugi - the Permanent Secretary for Internal Security. As head of provincial administration, he was arguably the most powerful individual in the country after President Daniel arap Moi and Energy Minister Nicholas Biwott, the self-style "Total Man", in the late 1980s and

It has been claimed that the then authoritative Provincial and District Commissioners instinctively stood up and saluted Oyugi whenever he called them via phone.

All these were powerful individuals who were regarded as quasi PMs. To date, however, only two individuals - Jomo Kenyatta and Odinga - have served as Prime Ministers of Kenya in substantive capacity. Kenyatta Senior was sworn in on June 1, 1963 after Kenya won internal self-rule and served for one year while Odinga, who was sown in on April 17, 2008, served for five years. Odinga became Premier in a Grand Coalition government with President Mwai Kibaki.

Ever since, there have been efforts to reintroduce the position in government. Musyoka, who was a candidate for the position this time around, holds that the office should be strengthened with changes made to the powers and privileges of its holder in order to enable the office to deliver on its set mandate. He faults the idea of (mis)using the position as a campaign gimmick – a trend that is bound to render the holder politically irrelevant.

Ahead of the promulgation of the 2010 Constitution, Dr Aukot recalls that the position of PM was initially fashioned alongside the models of the United Kingdom or France. It was contemplated then, that the PM would serve as head of government, with the President the symbol of national unity – playing a more ceremonial role.

But a section of politicians rejected the idea of a powerful PM. This is quite similar to the case of the Bomas Draft in 2005, when the then Justice and Constitutional Affairs minister, Kiraitu Murungi, declared the government's pullout from the process on account that the document had creating "two centers

The popular opinion – then and now – is that the creation of the office was inconsistent with the political realities on the ground.

The notion of an individual who wins the presidency through national suffrage after a grueling countrywide campaign, surrendering executive powers to a selected Premier and settling for a back seat as a ceremonial leader does not add up.

However, with the political class still keen on the PM's slot, Mudavadi's performance

Jitters as Ruto rings the changes at Mombasa port

...Continued from Page 7

their arguments on legal grounds. Under section 16(1) of the Merchant Shipping Act of 2009, "No owner of a ship or person providing the services of a shipping line shall either directly or indirectly provide in the maritime industry crewing services, pilotage, port facility operator, quay side service provider, terminal operator, general ship contractor..." Put plainly, the law does not allow MSC and KNSL a shipping line to operate at the port.

However, political backers of the deal had set the stakes extremely high, to the point that minor details about the

law were not going to deter them
Although President Kenyatta's from sealing the transaction. (inset) regime made major Here is the background .. to the legal issues that arose around this transaction: In 2011, : a group of shipping lines went to court to challenge the constitutionality of Section 16(1) of the Merchant Shipping Act. The issue dragged on in court until 2020, when the Attorney-General entered a consent with the parties agreeing that the sec-

tion was unconstitutional.

It was this consent that the backers of the MSC and KNSL deal decided to exploit to the maximum. Even as the matter remained in abeyance, the backers of the transaction quietly altered the law through a miscellaneous amendment to say that Section 16(1)'shall not apply to a shipping line owned by the Government'. The deal could now go through because KNSL is owned by the Govern-

The Dockworkers' Union went to court to challenge the decision and a threejudge bench — Justices Erick Ogolla, Mugure Thande and Alfred Mabeya agreed with them that no public participation had taken place.

They successfully influenced the government to expediently adopt the self-serving interpretation and position that the transaction could now proceed since the matter would take years at the Court of Appeal. The opposing side hold a different view: No such thing happened since Section 16(1) of the Merchant Shipping Act has yet to be repealed and remains intact in the statute

books. Chances are that President Ruto may not cancel the proposed merger between KNSL and MSC and float a competitive tender inviting international port operators to run the facility on a long-term concession.

This controversy has implications on relations between Kenya and the Japanese government that funded building of the terminal. The Japanese have written several protest letters to the government pointing out that the plan to transfer of ownership and control of the terminal to MSC was in breach of the terms of the loan agreement.

> investments in ports, confusion reigns because the administration appeared to have evolved a consensus on how best to employ the infrastructure to serve the long-term interests of the country. Even as the right hand of Government was busy signing MOUs with MSC to take con-

trol of KNSL, it emerged that National Treasury and KPA had engaged the international maritime consultant, Maritime & Transport Business Solutions BV, to prepare a project information memorandum for four projects, including the very same second container and implying that a concession of the facility to an international port operator was still a possibility.

Other projects in the information memorandum seen by The Weekly Review include the three Chinese-built berths at Lamu Port and the proposed Lamu Special Economic Zone.

In the build-up to the recent elections, it emerged that former finance minister Ukur Yatani had put out yet another letter inviting Dubai Ports of the World to send in proposals for concessions over several projects, including the Lamu Special Economic Zone, and the three

How events will unfold in the coming weeks remains to be seen. But the change of regime may have opened a new window for the country to rethink the most efficient was to deploy these donor-funded and critical infrastructure

the limelight



Kanye West made his modeling debut at the Paris Fashion Week on October 2, as he walked the runway during Balenciaga's Summer 2023 show.



Kenya's Amos Kipruto breaks the tape to win the men's race at the finish of the 2022 London Marathon on October 2. PHOTO I AFP



Kenya's Joyciline Jepkosgei finishes second at the 2022 London Marathon on October 2. PHOTO | AFP



Young men set for the initiation process blow whistles as they present themselves to the community in Kabrousse, western Casamance, Senegal, on September 27. PHOTO I AFP



The SpaceX Falcon 9 rocket carrying the Crew5 Dragon spacecraft lifts off from the Kennedy Space Center in Florida on October 5. PHOTO I AFP



Flowers in bloom in the Atacama Desert, Chile. President Gabriel Boric has announced the creation of a national park in the most arid region of the world to protect the flowering phenomenon that occurs in the Copiapo region.



THE STUFF OF DREAMS

Nadia Abdalla's success as Chief Administrative Secretary proves that, given a chance, young people can deliver on responsibilities handed to them

OPEN SPACE

RUTONOMICS WATERLOO

HUSTLER ECONOMY: The banking sector is where Ruto's plans for economic rejuvenation could bite the dust.

BY ALEX OWINO

he article titled 'The Path to Rutonomics' by Dr Mbui Wagacha (WR, September 26) refers. The author identifies three key issues that Rutonomics needs to tackle and, more importantly, also offers recommendation on policies, solutions and actions needed. In his own words, "three key issues and weaknesses are public finances, saving and banking".

On public finances being in disarray, Dr Wagacha offers a good solution. In a presidential system, which Kenya has currently, the Ruto administration needs to transfer the functions of budget formulation, allocation of the budget envelope and control and monitoring of ex-

penditure to an Office of Management and Budget in the Office of the President.

As part of Kenya's Presidential Task Force on Parastatal Reforms (to November 2013) and its successor, Parastatal Reforms Implementation Committee (to December 2014), Dr Wagacha and I formulated and developed what I believe is the most extensive, comprehensive and far-reaching blueprint ever prepared for the structural transformation of the National Treasury.

The lack of capacity and capability in an institution at the apex of the country's economic, fiscal, financial and investment policies, coupled with a demonstrable failure to exhibit extreme competence in discharging its mandate, is now Kenya's true binding constraint to development. On feeble savings, Dr Wagacha diagnoses the problem well. Kenya is clearly living way beyond its means and running multiple deficits on its current and capital accounts, as well as massive budget deficits of seven to nine per cent of CDP.

Dr Wagacha's review suggests Kenya's national savings rate has essentially crashed, and raises some interesting inequalities that come to mind (of the math variety which would stump even numbers genius Leonard Euler), namely that sums "invested" exceed "savings"; sums "diverted" exceed sums "invested"; sums "borrowed" exceed "savings".

In his view, Rutonomics needs to bring to an end the era of using other people's money especially for developing infrastructure but which eventually crept into recurrent expenditure. One path is to leverage on the substantial revenues generated by Kenya's natural resources by establishing a Kenya Sovereign Wealth Fund based on the National SWF policy framework and SWF Bill (2014) that Dr Wagacha and I developed.

On the banking sector, Dr Wagacha's review suggests that it is in the banking sector where Rutonomics risks meeting its Waterloo and where it could

bite the dust. The main reason is that Kenya's banking sector does not lend significantly to the "real" domestic economy. Most of its financial resources are invested in government securities – risk-free lending that generates easy and safe profits while starvetthe private sector (and real do

ing the private sector (and real domestic economy) of financing through crowding out effects.

The balance of lending goes to large corporates and multinational enterprise that also generates easy and safe profits. Virtually all large corporations in Kenya, including the commercial banks themselves), remit nearly 100 per cent of their earnings as dividends to overseas shareholders, which is essentially "bleeding" the local domestic economy. As the article concludes, Kenya's commercial banks wait with glee to make a meal of the Hustler Fund as their shareholders (with bulging bellies) belch all the way to their (offshore) banks.

Mr Owino is an economic analyst.

Are you young and ambitious? We would like to hear from you. Send your views and observations on topical issues to: weeklyreview@ke.nationmedia.com

MIND SPEAK



Samson Otieno

Muhoozi Kainerugaba owes Kenya an apology for his inciteful sentiments. It's painful that the son of a sitting President and an army General would publicly declare his intention to shake Kenya's territorial integrity. This is undermining the spirit of unity of the East African Community and the standing bilateral relationship between Kenya and Uganda.

— National Secretary General, TVET-SA



Zamzam Bonaya

Muhoozi Kainerugaba's tweets are uncalled for. His threats to capture Nairobi undermines the unity spirit of the EAC. Therefore he ought to take back his words and apologise to Kenyans. Both countries have a lot to lose if violence breaks out considering their cooperation on matters of trade, education, agriculture and energy. – VP of Co-op University of Kenya Students' Union



Hanly Anyanga

President Yoweri Museveni's son is day-dreaming. I think it's all a publicity stunt, knowing very well that KOT (Kenyans on Twitter) are sensitive to matters concerning their country. They are known for making global headlines. His tweets are nothing but a facade because no one with the right facts and statistics would make such an outrageous claim.

— College student



Brian Obiero

The son of the Ugandan President should not be engaging in such inflammatory remarks just because he is a general in the Uganda People's Defence Forces. We respect the mutual relationship that has existed between Kenya and Uganda and we may not want to anticipate eventualities that may be detrimental to the human race.

— Marketer

MY TAKE

SLOW DEATH OF RACISM

NEW DAWN: Soon, this absurd xenophobia, a phantom spasm from a now amputated colonial limb, will wither away. The younger European generation is largely egalitarian. Racism will be buried with the previous generation



BY WAGA ODONGO

fter a week of searching, I found the perfect place. It was less than 100 metres from the university, so I no longer had to use the metro. I hadn't gotten the hang of trains and had gotten lost four times already. First, I learnt that one train only stops on even stops on the line and my station was odd, then I found out that one train switches from track two to three a few stops ahead.

In one case, I asked a local on the platform whether he spoke English. "Yes," he replied. Does the train stop at the university? "Yes," he responded. I got on and soon we flew past the university all the way to the terminus. When I asked why the train didn't stop, he responded "Yes." Turns out he didn't speak a lick of English except for the word "yes".

My train misadventures were behind me now. I was now metres away from the university and even in bad weather – I had already gotten two extreme weather alerts from the Air Forces Meteorological Department – I could walk the distance. I went to the address to meet my prospective landlady. The meeting went well and we were able to communicate through her son, who spoke serviceable English.

After the meeting, I asked on WhatsApp via Google Translate when I could send her the money and was met with silence. I sent

further messages and got blue ticks. Calls were not answered.

Perhaps I had committed some gruesome cultural faux pas. I had refused her offer of coffee – it's horrible here: no milk, scalding hot and is only a thimbleful. Maybe I should have sacrificed a few taste buds and downed that hellish bathwater. I had even gone out of my way to compliment the hag on her wedding photo – "She hasn't aged a day in the 30 years since," I lied to her through her son.

As I replayed the events of the day in my head, puzzled by her silence, I got a response from my classmate. The landlady had clarified to him that she would only rent to European students. My classmate, also her tenant, had assumed that her request to get more tenants applied to everyone but apparently, she wanted those who looked like him. Now I do not think that the country where this happened is important. I am sure it is no more racist than any other in the Schengen area and should not be

unnecessarily vilified.

As a migrant, you learn to live with offensive looks, offensive words and subtle discrimination. It's part of the experience you sign up for when you move and you must roll with the punches. Every immigrant that winds up far from their home is a story of hope, of faith and new beginnings. Perhaps they want to send money back home, to make themselves better, act as a bridgehead to bring their loved ones over. Our world is richer, better and stronger when people move from their homes to set up shop elsewhere. Immigration is the story of our species, of how we started in Africa and spread to all continents.

I recall once asking a Nigerian neighbour in Roysambu what it was that made him move from West Africa, considering he was a programmer who worked online. His answer was simple: "Electricity." Kenya Power for Kenyans is the most risible service provider bar none. Getting a new connection is like pulling teeth, their blackouts, which are getting rarer,

loom large and their

customer care pro-

viders deserve to be sent to hell's basement on Judgement Day. To some immigrants, Kenya Power represents an improvement of their conditions, shocking as it may seem. Moving to Kenya is therapeutic, and even redemptive, for them.

When Europe was booming, immigration was less of a concern. The problem now is that European economies are slowing down, particularly now as Russia ends the era of cheap energy. Every country seems to have a fascist leader on the prowl.

Europe as an ageing continent needs to accept a whole lot more migrants; their pensions and economies will not pay for themselves.

The fear of migrants makes little sense, because of how quickly they meld into the social fabric of whatever country they move to. America as a nation was founded on the idea of immigration. Today, California does not want to go back to Mexico, Louisiana is not calling for French to be reinstated as its official language and Alaska is not condemning the US for supporting Ukraine instead of Russia. All the states have forgotten about their antecedents and are part of the United States. In all important matters they are American, and that's what counts.

President Ruto once said that the Daadab refugee camp should be closed and the people there relocated to Somalia. I agree with the first part but instead we should issue all adults there with IDs and absorb them locally.

Just as my white classmate thought the vacancy applied to all regardless of colour, in a few years this absurd xenophobia, a phantom spasm from a now amputated colonial limb, will wither away. The younger generation is largely egalitarian. Racism will be buried with the previous generation.

Besides, I noticed one telling indicator: lots of my classmates have Air Jordans. You cannot rock black Jesus and look down on black people. As for me, I need to learn how to read a train schedule in a foreign language.

Mr Odongo is a Software Engineer

> wagaodongo@ gmail.com

HOROLOGY

MOVING WITH THE TIMES

AFFORDABLE 'LUXURY': Robert Weboko turned to making quality watches locally after being duped into buying a fake abroad

BY EDDY ASHIOYA

obert Weboko loves to tell how, when you want to tell whether a watch is authentic or a fake, you hold its back behind your ear and shut out the world. Listen. Keenly. If it ticks quietly, it has passed the acid test. That is an original. If not, well, I hate to break it to you, but the writing is on the wall. Most fake watches are loud and messy. But good watches, and I mean really good watches, are a quiet business, hence the need to place said watch to your ear. And on that note, I'll give you a minute, pun fully intended, to listen to your watch.

Maybe businesses, too, are as much a reflection of who we are — or are not — which could explain the insouciant persona of Robert Weboko — a notorious eccentric and recluse heresy. His voice betrays the restless testiness of a man in a hurry, ready to go somewhere, to, as my Latin professor would say, carpe diem. But first, he armours me with enough information to hold my own at a London Watch Show.

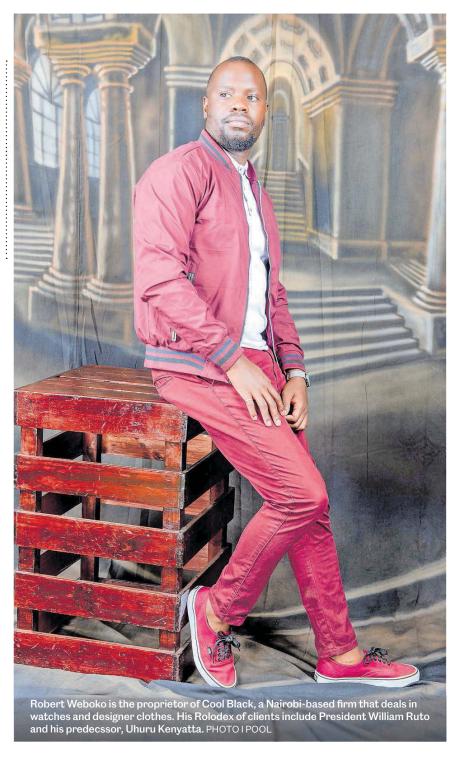
If I had any doubts about whether he knows his stuff, he quickly dispels them. And in record time too. None knows the watch business more than Robert Weboko, the 31-year-old proprietor of Cool Black and Rich Black. Why rich? Because everyone wants to be rich. You can quickly tell that Weboko is a dreamer, one whose mantra is the Wise Guy bon mot: "You can pray all you want but eventually David had to pick up a stone and act against Goliath."

Amid the hosannas that have been delivered in tribute to his endearing work, a particular note quickly strikes you: he is carving out his own niche in the time industry, so to speak. His watches range from Ksh10,000 to Ksh20,000. If time really is money, then buying a good watch is spending money to make money. But first, he wants to throw in a Did-you-know moment.

"Soldiers were the first people to wear two watches – one to show the time and the other to act like a compass. But lawyers have since taken over, making it their trademark." Maybe it's because lawyers just cannot trust anyone – or anything.

The Actuarial Science graduate goes back in time to where it all began.

"My sister was in an accident when I was in university. That meant all the money we had was diverted to take care of her. I turned to selling tee shirts with a group of friends. We called ourselves WARNTrends. We Are Real Nerds-Trends," he says in a nerdish





Robert Weboko with former National Assembly Speaker Justin Muturi. PHOTO I POOL

way. "When WARNTrends folded, I founded Cool Black, sourcing tee-shirts for sale from Githurai 45. With my first cheque, I bought a sewing machine. Rent was Ksh2,500 in Githurai. I then sourced my materials from Industrial Area, printed and sold them. I was everything - the marketer, accountant, receptionist, everything."

As fate would have it, one day, Weboko left for India. Attracted by a glitzy Rolex in one of the shops, and with cash whispering in his ears, he bought it. A few months after he returned to Kenya, the Rolex called time (he he). "I contacted Customer Care and they told me they could not help me because I was in another country. I was upset. I decided to cut out the middleman and make my own watches. Now, if you are wearing a watch and you are not sure whether what you have on

He (Weboko) is one of the few examples of how creativity can take you far. He assembles the watches himself and pushes his brand. As a friend, he even pushes me to think beyond being a comedian. How can I be more? Do more?

Chipukeezy

your wrist is an original, with Rich Black you will be." The mountain may have refused to come to Mahomet, but Mahomet had no qualms about going to the mountain.

Cool Black, the mother company, and Rich Black, now claim a 25-strong team, including a CEO and board of governors. "You can say I served my time in the trenches."

Weboko draws all the designs himself. His Rolodex of clients will turn you green faster than a paint gun. President William Ruto and former President Uhuru Kenyatta are just some of the clientele whose names he is willing to divulge. He credits comedian Chipukeezy and entertainer Big Ted for the connections. Or, in today's parlance, "for the link-up". How important are connections in business, or in life really? "Let me tell you something, without connection or networking, a business cannot reach its full potential. You need to meet people to push your brand. To get in the room."

Weboko has clearly mastered the art of networking. He knows how to kiss babies, shake hands and work the room. He's gotten a lot from his network, but this career of his was no inheritance. He earned this. The last thing he wants is to be seen as riding on the coattails of his seconders. And that's the thing about the path from promise to promised land - it must be forged. Here, you earn your keep.

But life is no straight road. "During the (2022) General Election, my business was brought to its knees. Rich Black is a luxury brand. During the electioneering period, people focused only on basic needs, and my sales plummeted. Things were so bad I had to lay off some casual staff. That was a tough time, considering that 80 per cent of my employees have families." But Weboko, you quickly learn, is not the kind to put sentimentality and nostalgia above hard-headedness and clear thinking.

Just ask Vincent Muasya Mutua, the comedian better known by his moniker, Chipukeezy. "He (Weboko) is one of the few examples of how creativity can take you far. He assembles the watches himself and pushes his

His Rolodex of clients will turn you green faster than a paint gun. President William Ruto and former President Uhuru Kenyatta are just some of the clientele whose names he is willing to divulge. He credits comedian Chipukeezy and entertainer Big Ted for the connections. Or, in today's parlance, "for the link-up".

brand. As a friend, he even pushes me to think beyond being a comedian. How can I be more? Do more?"

It is this attack-dog personality that serves as a beacon for his career. But as a watchmaker, is he ever late? "Let me be honest. Seventy per cent of the time, I am on time. I have a meeting $today \, (Sunday), and \, I \, am \, supposed \, to \, confirm \,$ the meeting for 3pm." At the time of the interview, my watch reads 12.07 pm.

"When I was starting Rich Black, I just wanted to be wealthy. I wanted to own a nice car, specifically a G-Wagon. But I visited one of my employees when his wife had just had a baby. His living conditions were not good. My viewpoint shifted. I sought to become one who helps the people around him, including my employees. I set up a kitty and whatever they put in every month, I double it."

What is the price he has had to pay for ambition? "I have lost a lot of friends. With ambition comes a lot of hard work. And time away. Sometimes I don't show up to events because I am working so my friends just stop inviting me,"he says. Everyone pays a price. He is an example of how to snuff out adversity with work ethic and belief."In this business," he continues, "you fail every day. Out of 100 watches, two or three might have some faults. My job is to make sure those three are fixed immediately. In our eyes, our products are the best. We put our hearts into it. That cuts deep."

"Every entrepreneur needs a support system." Everyone, really, needs a support system. "We have grown up as men being told not to cry in public. You have something that disturbs you and you have no one to turn to." Intrigued, I want to lift the scab and peek beneath the wound. When was the last time he cried? "When my grandmother died. And when I released the Salvo Collection, which sold out in three days. Plus that time a client called my product "umbwakani". Umbwakani, for those not in the ins of local parlance, means, contextually, useless. The two do not exactly go out for brunch, but they have forged a friendship.

Peter Mwangi is another client who turned into a friend. One of Weboko's earliest customers, he effuses nothing but praise for Rich Black. "The watches are of good quality and most importantly, they work. It's only a shame someone took off with mine and I might have to buy another one," Mwangi says. "Plus, I see people wearing Cool Black teeshirts and hoodies in town. That's how I know he is doing well."

So why do you sell your watches at Ksh10,000? "Because we are good at what we do," Weboko responds in a matter-of-fact way. It's a formality, a wave of the hand, a tip of the cap, an admittance of the obvious.

eddyashioya@gmail.com

IN THE LIMELIGHT

DREAMS DO COME TRUE

BY AMINA WAKO

hen she was appointed as the youngest Chief Administrative Secretary at only 29 in January 2020, Nadia Ahmed Abdallah found herself thrust into the national limelight.

Before her appointment, Nadia was already a public figure, having been part of a group of women participating in Season One of the local reality television show, Ms President, in 2019. But the attention that came with her appointment was different; she was now a government official.

"I did not see this appointment coming, I was working towards realising my dreams of working with my community, then boom! I was thrust into national leadership. Looking back, however, everything that happened in my life was moulding me for this position," she says.

Finding herself in the national spotlight at 29 was scary, although she knew from an early age that she would one day break the glass ceiling.

The ambitious girl who grew up in the remote village of Kuze in Mvita, Mombasa County, settled quickly into her new role, thanks to her boss, former Cabinet Secretary for ICT, Innovation and Youth Affairs, Joe Mucheru, who gave her space to grow.

"The CS built my confidence. I was very scared when I started, but he gave me a chance to showcase what I knew, and room to make mistakes and learn from them," says Nadia.

She has worked with the ICT Ministry for close two years and nine months, and although it has been a learning process, she has accomplished a few things she is proud of. "I advocated for the inclusion of African women and youth, as well as diversification, in the technology and innovation industry, resulting in implementation of various

SCALING THE HEIGHTS: Nadia Abdallah always dreamed big. She knew she would one day break the glass ceiling, which she did when she became the youngest Chief Administrative Secretary



grassroots ICT and innovation projects across Kenya between 2020 and 2022."

She mainstreamed youth into national development planning and budgeting and ensured that the youth emancipation programmes and projects received adequate attention and support from policymakers, development partners, state agencies and departments.

In her first year in office, Nadia launched the *Kenya Ni Mimi* campaign, which rallies the youth to actively participate in matters of nation-building.

"It is a commitment to shun apathy and become drivers of the youth agenda on matters of leadership, innovation, social cohesion, equality, entrepreneurship and more," she

Raymond Ochieng, Secretary Youth Affairs in the Ministry of ICT, describes Nadia as self-driven and ambitious... "Kenya Ni Mimi was one of the sucessful projects she started and which the ministry adopted," says Ochieng. "She has proved that, given a chance, young people can deliver on responsibilities handed to

So, what is next for Nadia? Before joining the public service, Nadia had started an inspiration, mentorship and empowerment campaign for young girls in the coastal region, which gave her a platform to champion social issues affecting the youth.

This is part of the exposure that got her working with the Mombasa County government before the surprise call to take up the slot as CAS. "I have always liked working with the youth, wanting to create solutions on issues affecting them as well as giving them platforms to express their voice and articulate their strengths and aspirations," says Nadia. Following the end of her

tenure as CAS, Nadia is now focusing on her mentorship programme, Dreams4Africa, which seeks to help build confidence, instill life skills and empower youth and teenage girls across Africa.

"The only way to create more opportunities for young people to make an impact is by having those who already have experience to hold others'hands. I am a firm believer in mentorship as a sustainable and progressive way to grow and build those who surround us."

Nadia's interest in youth matters stems from personal experience. She grew up in a blended household and struggled to fit in, considering herself the black sheep of the family. Her mother, Salma Homar, was very strict, and her grandmother, Zeinab, shielded her from society. Moreover, she was bullied because she was a chubby teen, which destroyed her self-esteem. All this made her rebel.

Despite her struggles, Nadia knew what she wanted out of life and looked to media guru Oprah Winfrey and former UN secretary-general Koffi Annan for inspiration. "Oprah articulates the social experiences of different people while the late Koffi Annan life was a humanitarian and diplomat and at just 13. I wanted



ICT, Innovations and Youth Affairs Chief Administrative Secretary Nadia Ahmed Abdalla marks the 2021 International Day of the Girl Child with children in Kibra. DIANA NGILA I NAIROBI

to be like either of them," she adds. Chasing her dream landed her in Kuala Lumpur, Malaysia, for her university education, where she studied Public Relations and Mass Communication, after which she went to Berlin, Germany, for a Master's course in International Relations and Cultural Diplomacy.

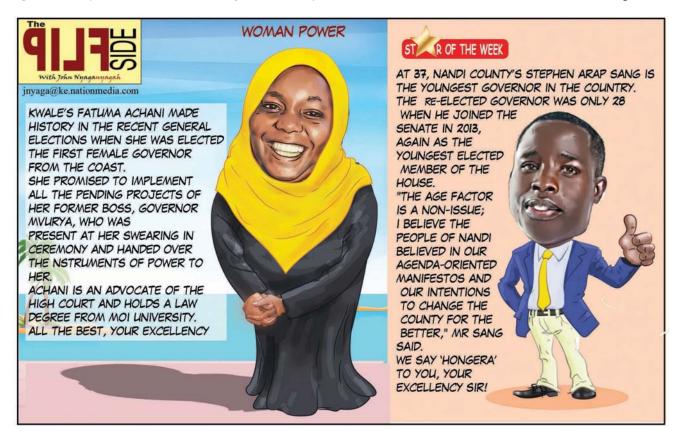
When she returned to Kenya, she immediately got into community work focusing on issues facing young women and youth, gender-based violence and mental health awareness.

According to World Health Organization, a staggering one out of every four people who seek health care in Kenya has a mental health condition. It is estimated that half of these illnesses begin at age 14, though most cases go undetected and untreated.

"I want to normalise the conversation around mental health and let young people know that it is ok not to be ok. For young people to contribute to the social economy of this country we need to have a healthy population," Nadia says.

She advises youth to be unapologetically ambitious in pursuing their dreams: "Be true to yourself, be kind, humble and consistent. Dream big, but start somewhere."

ambuthia@gmail.com



opinion



■ The Head of State needs somebody to roll up his sleeves and get busy and dirty on his behalf

Why Gachagua is fighting Ruto's 'enemies'

he presidency has changed. President William Ruto is stiff in a suit with strange bulges and contours. And he buttons up. Deputy President Rigathi Gachagua is stiff too, and a tad awkward. They are officious, but they respect, understand and turn to each other.

Consider this. On September 27, President Ruto announced that he had received and accepted the resignations of Inspector-General of Police Hillary Mutyambai and Director of Criminal Investigations George Kinoti.

A week ago, a TV news anchor conducting a fireside interview on the DP's lush lawn on a windy night asked whether it was, in fact, the case that Mutyambai and Kinoti resigned.

It was a loaded question whose controversial assumption was that the two, and especially Kinoti, whom the President had attacked on the campaign trail, had been forced out.

It was a tricky question that could have, perchance, tripped the DP. Gachagua turned the question around and sprung his own trap on the interviewer: "Are you doubting the President?" The watching public was left in no doubt that the DP knows his role and will need no prompting to bat for the President.

Then Gachagua lit into Kinoti, dismissing him as a drama queen and painting him as a Hollywood-happy, media-courting cop. He portrayed Kinoti as a panderer to political the-

Throughout the interview, Gachagua never came across as angry but as just putting his point of view across. This DP will fight the President's and government's corner and, of course, he expects them to fight his.



OPANGA

atre whose plain-clothed sleuths haunted government offices and hounded officers extorting bribes.

Rewind. When he was DP, Ruto at one time, asked President Kenyatta to concentrate on the business of governing and to entrust him with battling and putting opposition linchpin Raila Odinga in his place.

What the DP was saying is that fighting political enemies gets dirty and because that's beneath his high office, the President needs somebody to roll up his sleeves and get busy and dirty on his behalf.

As a politician, Ruto can take on and put his opponents in their place, but he does not have to because Gachagua already has his back. And Gachagua put opponents of the government and the President on notice by his pugnacious TV performance; he will neither pull punches nor give quarters.

As he told it, the news outlets that portrayed him as "uncouth, uncultured and uncivilised", or, put another way, a bumbling idiot, were served their just deserts by the electorate who voted for him on August 9.

When told he was quoted correctly about a return of farming in forests, which some regard as a prelude to a land grab, Gachagua

doubled down. He said he vouched for a farmland-style afforestation of forest reserves stripped bare of trees.

"What I said is that people should be allowed to plant trees alongside their crops and as soon as the trees mature, the people will, in fact without being told, leave." That, he said, is afforestation and not an invitation to grab forest reserves. On Cabinet nominees who could not, as per Chapter Six of the Constitution on leadership and integrity, pass the probity and propriety test because of the court cases they face, the DP fought fire with fire.

The nominees, who include murder-accused Aisha Jumwa, Gachagua said, were victims of a weaponised criminal investigative system and dismissed the cases as trumped up.

And to reinforce his claim that this government inherited an empty Treasury, he repeated his coinage of a dilapidated economy, and used the s—t word to describe what the previous government bequeathed to the present.

Throughout the interview, Gachagua never came across as angry but as just putting his point of view across. This DP will fight in the President's and government's corner and, of course, he expects them to fight in his.

kwendo58@gmail.com

opinion

■ As daddy's heir-apparent, Gen Muhoozi is probably the most powerful person in Uganda after the President

Mind those itchy fingers lest they cause serious havoc



he juvenile social media antics of Ugandan President Yoweri Museveni's middle-aged child hold serious lessons on how not to conduct state craft through Twitter rants.

The controversial tweets early last week threatening to invade Kenya would have been laughed off if they came from the Kampala equivalent of our own social media warriors and influencers such as Dennis Itumbi, Robert Alai, Cyprian Nyakundi, Gabriel Oguda or Ahmednassir Abdullahi.

However, Gen Muhoozi Kainerubaga is not the ordinary Ugandan twit. As army commander and daddy's heir-apparent, he is probably the most powerful person in Uganda after the President. One shudders to imagine what would be the reaction if, for instance, the Chief of the Kenya Defence Forces, Gen Robert Kibochi, released a series of tweets threatening to overrun Dar es Salaam. You can be sure that the government of Tanzania would take that as extremely serious provocation.

It would be akin to a declaration of war, and most probably, Tanzania would put its military on high alert. The grave issue would not be left to mere foreign ministers and ambassadors to resolve, but President Samia Suluhu would herself pick up the phone and demand an explanation from President William Ruto.

While Kenya officially downplayed the matter of Muhoozi's twitchy fingers, it is clear that the tweets were taken seriously. Seriously enough for Museveni to personally call Ruto and apologise to him and to the people of Kenya.

There was no indication whether the Foreign Ministry had launched an official protest, but before Museveni's call, the Cabinet Secretary-designate Alfred Mutua had a meeting with Ugandan High Commissioner in Nairobi, Hassan Galiwango, going on to tweet: "We discussed interesting matters. *Mambo iko sawa* (All is well)".

Kenyan High Commissioner in Kampala George Owino also had long discussions with the host, Permanent Secretary for Foreign Affairs Vincent Bagiire, trying to prevent the matter escalating into a full-blown diplomatic rift or even military hostilities.

At the end of the day, the Ugandan foreign ministry released an official statement assuring Kenya that it values cordial and brotherly relations. It also pointed out that the Uganda government does not conduct foreign policy or other official business through social media. That must have been a delicate statement to craft, for it amounted to repudiating the Twitter activity of President Museveni's eldest son, presumptive heir and Uganda's *de facto* military chief.

For his indiscretions, Muhoozi was kicked upstairs, his father promoting him to full general but with no specific designation and relieving him of command of the Uganda People's Defence Forces' Land Forces.

Whether that will also amount to Muhoozi's wings being clipped, particularly on his national influence and presidential succession prospects, remains to be seen.

No doubt, however, Kenya and other East African nations will have reason to pay keener attention to the power matrix in Uganda as Museveni approaches 80 years and jostling for his replacement looms. There will be reason to be nervous if a seemingly spoilt, party-loving brat with little awareness of prudent exercise of power is poised to take over as president and Commander-in-Chief.

There is also a lesson for all: That governance cannot be reduced to uninformed roadside declarations or Twitter rants.

Here at home, in the early years of President Uhuru Kenyatta's rule, it became difficult to decipher official policy from the activities of the Twitter propaganda brigade that had followed him from the campaign trail into the presidential communications team at State House. Eventually, Uhuru got tired of the provocative and often ill-informed Twitter activity under the official handle and disbanded the outfit.

He even abandoned social media altogether as he could not withstand the insults and taunts that invariably came with such platforms. And virtually on his first day in office, President William Ruto faced the embarrass-

No doubt, however, Kenya and other East African nations will have reason to pay keener attention to the power matrix in Uganda as Museveni approaches 80 years and jostling for his replacement looms. There will be reason to be nervous if a seemingly spoilt, party-loving brat is poised to take over as president and Commander-in-Chief.

ment of the Ministry of Foreign Affairs clarifying that government business is communicated through official channels, not social media.

This was after the confusion caused through Ruto's Twitter account on withdrawal of recognition for the Sahrawi Arab Democratic Republic. The controversial tweet had by then been pulled down.

Social media aside, the new government has also faced several embarrassing moments where senior officials have been upbraided for uninformed opinions and comments.

Deputy President Rigathi Gachagua has been at the centre of the storm for roadside declarations that have been swiftly repudiated. First was his comment that the new government found the national coffers with only some Sh90 million in the vaults. The National Treasury had to come out and clarify that the Treasury does not keep a stockpile of cash, dismissing the DP's comments as based on ignorance.

Next was the claim that the government would not be able to import oil as foreign currency reserves were depleted. The Central Bank of Kenya had to issue a clarification to the effect that the government does draw foreign currency for oil imports, as it is private operators who import the commodity and source their foreign currency from the market, not the CBK reserves.

As President Ruto settles down into office, one thing he will have to do is establish a professional communications team to take charge of coherent government messaging beyond the free-wheeling style of the presidential campaign social media propagandists. He does not have a pampered, powerful and ambitious First Son like Muhoozi, but there will still be figures in the corridors of power who must be kept on a tight leash lest unthinking and irresponsible social media activity and political platform theatrics cause havoc.

During the campaign period, there were instances where tweets by Ruto's son, Nick, and rival Raila Odinga's son, Raila Jr, raised eyebrows. They could have been dismissed as the output of itchy fingers from young men operating out of their depth, but the reality is that when one assumes high office, statements from family, political colleagues and close associates always bear serious scrutiny.

gaithomail@gmail.com

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■ POLITICAL METAMORPHOSIS

WITHER YOUNG TURKS?

One could probably draw a parallel between the youthful political activists of the Second Liberation and heroes of the armed struggle who delivered freedom from colonial rule but lost out to a conservative lot in the contest for political leadership

By MACHARIA GAITHO

hen Mr Raila Odinga lost out on his fifth stab at the presidency, it was not just an individual loss but probably also a dream deferred for the fabled Young Turks who plotted Kenya's 'Second Liberation', but like their counterparts at Independence were shunted aside in the quest for political power.

Raila's choice of Martha Karua as runningmate was a brave and inspiring choice that not only brought women into the frontline of the contest for Kenyan leadership, but also reunited the brave men and women who, in the early 1990s, were the vanguard of a successful struggle against single-party dictatorship,

The Young Turks were in their 30s and 40s when they dared take on the might of President Daniel arap Moi's Kanu machine.

Today they are in their 60s and 70s and arguably in the sunset of remarkable political careers that rescued Kenyans from dictatorship, brought back the multi-party political system, entrenched the rule of law and guaranteed a large array of basic rights.

During the presidential campaigns, Baba na Martha made much of the fact that they were in the trenches together during the struggle for freedom and democracy beginning in 1990.

It was in that year that a group of grizzled veterans of political dissent in Kenya drove the fight for political pluralism, culminating in the formation of the Forum for Restoration of Democracy (FORD). But behind the scenes, it was a group of idealistic young politicians, lawyers and academics who had plotted every

Fronting FORD were six venerable heroes of the freedom struggle or champions of dissent in independent Kenya. They were the father of opposition politics, Jaramogi Oginga Odinga, aged 80 at the time; firebrand Butere MP Martin Shikuku (58); and principled Kitale East MP Masinde Muiliro, (69).

Others were Machakos and Nairobi politician George Nthenge (63), fiery Mombasa activist Ahmed Salim Bahmariz (49), as well as Philip Gachoka (59), who was incorporated in the Group of Six as a proxy for former cabinet minister multi-party campaign hero Kenneth Matiba, then 58, who was recovering from a stroke suffered in



Legislators James Orengo, Raila Odinga and other Ford-Kenya supporters after Orengo was released on bail by a Kisii court on April 20, 1995. Orengo had been remanded in police custody on a charge of creating a disturbance.

Moi's detention cells. Also laid low by illness suffered in detention was Matiba's colleague in launching the pluralism campaign, former cabinet minister Charles Rubia, then 68.

None of the original FORD officials is still alive.

The Young Turks included Raila (Oginga Odinga's son and political heir), formerly exiled Nairobi University academic Anyang' Nyong'o, and lawyer Paul Muite, all then aged 45. Also in the group was a clutch of lawyers, including Nairobi University Law School lecturer Kiraitu Murungi, then 38; former MP and political exile James Orengo, 39, former magistrate Karua, 33, and publisher-lawyer Gitobu Imanyara, 36.

Others were former University of Nairobi student leader Mukhisa Kituyi, 34, who had been hounded into political exile until returning as a social science researcher, and lawyer Michael Kijana Wamalwa, then 35, who went on to become Vice-President in the first post-Kanu government in 2002 led by Mwai

Kibaki but died just eight months into the new

Their activism led to the successful demolition of the single-party dictatorship at the end of 1991, the end of Kanu's four-decade monopoly of power in 2002 and realisation of the 20-year struggle for a progressive new constitution in 2010.

Fast forward to 2022. Although they had gone their separate political ways in the intervening period, teaming up under the Azimio la Umoja-One Kenya banner for the General Election this year represented a reunion of the fabled politicians, activists, lawyers and academics who masterminded the struggle for multi-party democracy during a period when it was considered reckless, or foolhardy, to challenge the monolithic one-party regime.

Other Young Turks in the 2022 line-up included Orengo, who moved up as MP for Siaya to Senator then Governor; Nyong'o, who won his second term as Kisumu



Raila Odinga Born: January 7, 1945 1990. Then aged 45



Anyang' Nyong'o Born: Oct 10, 1945 Then aged 45



James Orengo Born: 1951 Then aged 39



Kiraitu Murungi Born: January 1, 1952
Then aged 38



Paul Muite Born: April 18, 1945 Then aged 45



Now 77



Now 71



Now 70



Now 77



Mukhisa Kituyi Born: October 20, 1956 Then aged 34



Martha Karua Born: September 22, 1957 Then aged 33



Gitobu Imanyara Born: August 12, 1953 Then aged 36



Now 69



Now 66



Now 65

despite the fact that he was completing two terms as Deputy President.

Raila, at 68, was already the Old Man of Kenyan politics when he made his third presidential bid in 2013.

He looked almost certain to succeed President Mwai Kibaki until he was outflanked and outfoxed by the wily, youthful duo of Uhuru and Ruto, then mere lads aged 51 and 47 respectively.

That was the time Raila earned the title 'Baba', an honorific suggesting the wisdom of age, but which was turned against him to suggest he was past his sell-by date.

He was 77 come the elections in August this year, while running-mate Karua turned 65 shortly after the polls.

Ruto, by contrast, is still a youthful 56, and Deputy President Rigathi Gachagua in the same age bracket at 57, giving them both many more years in leadership, while the Young Turks are in their sunset years.

One could probably draw a parallel between the Young Turks of the Second Liberation and the heroes of the armed struggle who delivered freedom from colonial rule but lost out to a conservative lot in the contest for political leadership.

The question, as the Young Turks prepare to exit the scene, is whether failing to capture the ultimate prize is a measure of unfulfilled drame.

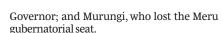
According to Muite, it would be a mistake to reduce the whole issue to that of an individual. The dream was not about personalities but about a nobler vision that admittedly has not been realised.

The vision of the Young Turks, he says, was genuine, issue-based politics focussed on social and economic transformation as opposed to competition for power based on ethnic mobilisation.

He points out, for instance, that what the ordinary person from Central Kenya needs in a living wage, housing, food, healthcare and other basic needs is no different from what the person in Eastern, Western or Northern Kenya desires, although the social and economic environment may be very different.

The vision is still there, he insists, and if the Young Turks did not realise it, another generation will pick it up.

He notes that, even without the Presidency, clear and definite milestones have been attained in the enactment of the 2010 Constitution underpinning the multiparty system, political freedoms, as well as the end of dictatorship and the police state. In addition, the Presidency has been demystified and the holder of office is no longer a demi-god who rules by fear and intimidation.



Also playing a role was Kituyi, who came back from his tour of duty as UNCTAD secretary-general to briefly toy with the idea of running for president, before joining the Azimio la Umoja campaign.

Interestingly, the Young Turks in the Azimio team had become the old guard of Kenya politics, while it was the conservative, reactionary types in Dr William Ruto's Kenya Kwanza Alliance representing the vigour and vitality of youth.

Another stunning turnaround was that it was the Young Turks, backed by outgoing President Uhuru Kenyatta, standing on the establishment, status quo ticket, with Ruto successfully re-packaging himself as the insurgent candidate, trumpeting change

SCIENCE & TECH

QUANTUM ENTANGLEMENT



This year's physics Nobel Prize was awarded to three men for their work on 'quantum entanglement'.

WASHINGTON

his year's physics Nobel Prize was awarded to three men for their work on a phenomenon called quantum entanglement, which is so bizarre and unlikely that Albert Einstein was sceptical, famously calling it "spooky". So how exactly does it work?

Even people with degrees in physics struggle to understand it — and some who do still find parts "hard to swallow", said Chris Phillips, a physicist at Imperial College London.

To explain the phenomenon, he used the example of a photon — "a single unit of light" — though the theory is believed to hold true for other particles. If a photon is put through a "special crystal", it can be split into separate photons, he told AFP.

"They're different colours from the one you started with," Phillips said, "but because they started from one photon, they are entangled". This is where it gets weird. If you measure one photon it instantly affects the other — no matter how far you separate them.

This is certinly not supposed to happen. Einstein's theory of relativity says nothing can travel faster than the speed of light. And they are inextricably bound together. When you observe the first photon, there are even odds that it will show itself as "either up or down", Phillips said. But if it is up, then its twin is instantly forced down, or vice-versa.

He extended the famous quantum thought experiment of Schroedinger's cat, in which a hypothetical animal locked inside a box with a flask of poison remains simultaneously alive and dead — until the moment the box is opened.

For quantum entanglement, if you have two cats in two boxes, by opening one you would "kill that cat and instantaneously on the other side of the universe the other cat has been killed," Phillips said. He has seen this "extremely strange thing" firsthand in his laboratory, where he has two beams of photons set up. "I can put my hand in one beam and something happens to the other beam on the other side of the room instantaneously I see a needle flick," he said. "That would still be true if my laboratory was millions of miles

It was the fact that this occurs instantly that bothered Einstein, who dismissed this element of quantum entanglement — called non-locality — as "spooky action at a distance" in 1935. He instead believed that "hidden variables" must somehow be behind what was happening. In 1964, influential physicist John Stewart Bell found a way to measure whether there were, in fact, hidden variables inside

Two decades later, French physicist Alain Aspect, who won the Nobel on Tuesday, and his team were among the first able to test Bell's theory in a laboratory. By testing its limits, they found that "quantum mechanics resists all possible attacks", Aspect said in an interview published by the Nobel Foundation after his win.

quantum particles.

In doing so, Aspect proved Einstein wrong. But he was magnanimous to history's greatest physicist.

"I like to say that Einstein's owes a great, great merit in raising the question," Aspect said, adding that "non-locality does not allow you to send a useful message faster than light".

Even Aspect finds it weird to have accepted the idea of something "totally crazy" like non-locality into "my mental images",he said.

Crypto's big 'merge' causing big headaches

The biggest software upgrade in the short history of crypto has fulfilled its promise to wipe out more than 99 per cent of the electricity used by the second-biggest cryptocurrency.

That is no mean feat, given that the Ethereum blockchain was burning through about as much electricity as New Zealand.

Sceptics had expected glitches with the upgrade, known as "the merge", but it ended up being a "rather boring event", according to Alex de Vries of the Free University in Amsterdam.

De Vries, whose Digiconomist website models the energy use of Bitcoin and Ethereum, said consumption had indeed plummeted by more than 99 per cent on Ethereum. Moritz Platt, a researcher specialising in crypto at King's College London, said the 99 per cent estimates were realistic and heralded a positive step towards "cryptocurrency sustainability". So the Ethereum blockchain, which supports billions of dollars of trading in games, tokens, art and the ether currency, has cleaned up its act. But there are complications.

Ethereum faces bitter opposition from those who lost out from the merge and it could also get greater scrutiny from regulators.

The old system, known as "proof of work", relied on people and firms to "mine" new coins -- an industry worth \$22 million daily before the merge, according to de Vries. The miners used vast power-guzzling computer rigs to compete with each other to solve complex equations, and the winner was awarded the prize of adding entries to the blockchain and generating coins. The merge wiped out their business model overnight. "Those rigs do not magically turn back into invested capital," said a crypto-miner known only as "J" who operates between Singapore and Hong Kong. He said it was costing him between \$30,000 and \$40,000 a month to keep his staff and equipment idling while he thinks about his next move.

africa lens

■ AFRICA'S BIGGEST POLITICAL PARTY

MADIBA'S ANC IN CRITICAL STATE



Former South African President Nelson Mandela during an ANC rally in the conservative Afrikaaner town of Bloemfontein on February 25, 1990.

The local government elections of last year showed beyond question what was already evident from previous outings to the polls: The African National Congress' fortunes are in a tailspin of decline, which may become terminal

• BY CHRIS ERASMUS

nce revered in Africa and respected around the world, the African National Congress (ANC), the oldest liberation movement on the continent, political home of greats like Nelson Mandela and Oliver Tambo, is in a shambles.

The 'party of Madiba' is headed towards a year-end elective conference which is much more likely to lead to yet more divisions than to a healing of the deep splits which have developed in the ruling party of South Africa.

That the ANC was in trouble has been evident since around the middle of the first decade of this century, and matters have only become dire since then.

Last week, the unthinkable happened: longtime unionist, life-long party loyalist, Cabinet minister and current ANC national chairperson, Gwede Mantashe, was booed from the stage of a conference of the ANC's most loyal allies, the Congress of South African Trade Unions (Cosatu).

Part of the problem was that ordinary South Africans, as represented by Cosatu's 1.8 million members, have been under the whip economically, especially during and in the wake of the Covid pandemic.

High unemployment – between the mid-30 per cent and mid-40 per cent range, the latter including those who have given up looking for work – in a much-weakened economy, has meant not only that jobs are much harder to come by, but that wages have hardly grown in recent years, and unions themselves have fewer paying members.

In a society where the social contract between a once-revered liberation movement, in government for 28 years, has frayed to the point of collapse, the ANC's liberation premium long since having evaporated.

The party has become moribund with corruption and incompetence through its policy of 'cadre deployment', which translates in real

...Continued on Page 26

africa lens

...Continued from Page 25

terms to 'choice jobs for pals and lackeys'.

Efforts at broad-based economic empowerment have failed to produce a large emergent black middle class – 'black' in this context being a political term with pseudo-racial connotations.

With repeat multi-hour power outages becoming part and parcel of daily life and with dozens of municipalities in financial crisis – some so dysfunctional that they have been taken over by regional authorities, with little to no delivery of basic services such as road repairs, water and electricity provision, sewage and waste removal, and safety of citizens – there is no more reserve of goodwill left for the ANC to draw on.

The local government elections of last year showed beyond question what was already evident from previous outings to the polls: the ANC's fortunes are in a tailspin of decline, which may become terminal. In 1994, under the awesome personage of Nelson Mandela, the man half the world was asking to be released from decades behind apartheid prison bars to lead the country to freedom – the next and perhaps last great African Uhuru – the ANC was morally untouchable.

There had been violence against apartheid, but relatively little, so the ANC had relatively clean hands coming into the democratic era, and held the moral highground, domestically and internationally.

The ANC's rival liberation movement, the break-away Pan African Congress (PAC), through its armed wing, the Azanian People's Liberation Army (APLA), was far more aggressive in hitting civilian targets during the anti-apartheid struggle than the ANC's uMkhonto we Sizwe (Spear of the Nation).

With beloved Madiba at the helm, South Africa seemed 'golden' – the miracle child of Africa embodying, it appeared, the very best in people, including the ability to forge a real fellowship of equals from a deeply unequal past. The Rainbow Nation, as it was dubbed by another African Great, Archbishop Desmond Tutu, was the amalgam of the colonial and yet-more-intensely-racist apartheid eras, but one in which the past was not necessarily a determinant of the future.

Even the most casual and dis-

Giant party's slow puncture



African National Congress members led by Jacob Zuma (centre) and Cyril Ramaphosa (second right) during a rally at the Mbombela Stadium in Nelspruit on January 11, 2014.

tant observer of global events realised there was something special in what had happened in South Africa: a great and terrible, seemingly unavoidable human tragedy had been averted and in its place was hope for a non-racial and truly democratic, modern society, vibrant in its diversity and rich in its resources, both human and natural.

As a visibly shaken and angered Mantashe left the Cosatu congress stage in Midrand near Johannesburg last week, with the jeers of his former comrades-atarms ringing in his ears, the question of what had happened to the Rainbow Nation and its promise of a better life for all was the unasked but ubiquitous question.

The rowdy union delegates, numbering about 2,100, were in effect asking that same question in refusing to hear a word Mantashe had to say, chanting to him "we have no money", angered by the ANC government's failure to live up to a three-year wage agreement with unionised government employees, and the ANC itself, which has several times failed to pay its own workers' salaries, being a month behind even as the congress kicked off, with September salaries unpaid.

The citizens who have gone out into the streets, currently at about five places a day but pre-Covid running in at around 12 to 13 a day, demanding better, or even any municipal services at all from

their ill-functioning local councils, which are riddled by both incompetence and corruption, have on each and every occasion also been effectively voicing that same concern. With the economy barely operating, the second quarter GDP declining by 0.7 per cent off a first quarter growth of just 1.9 per cent, there is hardly anyone, rich or poor, not asking that same question in various ways.

It might be embedded in a subset of daily survival questions, like when will there be electricity today, or will there be water today, or when will we get our houses as promised to us 28 years ago, but the deeper question of what happened to this country's promise is always just beneath the surface, and it is difficult to find anyone not asking it out loud in some or other fashion.

So, what did happen to South Africa and its once so-promising future? The easy, mostly correct but incomplete answer is simple: Jacob Zuma and his kleptocratic pals. The reasons that answer is inadequate is because it is the ANC itself – in power, but no longer led by someone of the stature of Mandela or Oliver Tambo – which allowed Zuma's populist rise to power.

Before Zuma was a major national and African figure, he was a little-known provincial official in his homeland KwaZulu-Natal province, a former member of uMkhonto we Sizwe (MK), and

generally-considered "an affable fellow who is likely to ask for a loan, given half a chance".

Zuma was renowned for his multiple wives, reputed many girlfriends and numerous children, all that putting a huge burden on him for the running of several households on an income barely sufficient for one.

Many coming in from the cold of operating in exile against the apartheid regime had found themselves in dire economic circumstances, once back in democratic South Africa.

Zuma was one such person.

His rise to power was far from inevitable, but the way the ANC had operated in exile had a bleedover to the post-apartheid era.

During apartheid and as an underground member of MK, one survived, literally, on the goodwill, offerings and help, including financial, of a small circle of trusted friends – anything else led inevitably to disaster.

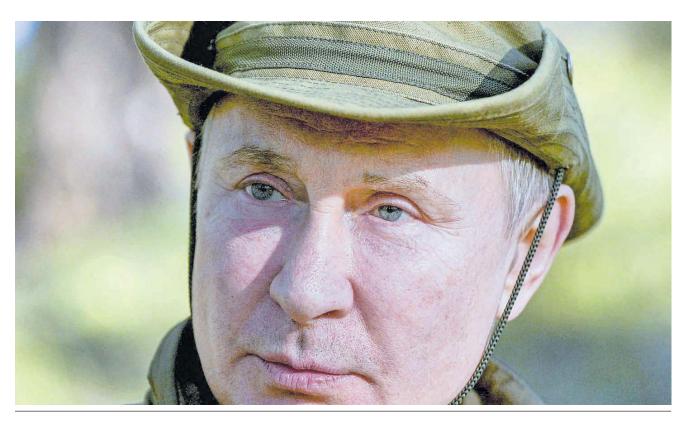
The apartheid state was not super-efficient at everything, but rather good at placing agents in key places and in turning anti-apartheid operatives against their own organisations.

Not only had the ANC in exile, along with its armed wing, been thoroughly infiltrated with apartheid spies, but almost every other conceivable nexus of opposition, even if only potentially so, had similarly to be 'watched like a hawk'.

global lens

■ SEVEN KEY MOMENTS THAT MADE VLADIMIR

PUTIN'S GAME OF THRONES



When Putin became Russian president in 2000, he hoped to be able to build a positive relationship with the West — on his own terms, including a sphere of influence across the former Soviet Union. He soon became disappointed, then angry, believing the West was actively trying to isolate and demean Russia

MOSCOW

s Vladimir Putin marks his 70th birthday, we look at the seven pivotal moments in his life that helped shape his thinking and explain his growing estrangement with the West.

Taking up judo, 1964

Born in a Leningrad still scarred by its 872-day siege in World War II, young Vladimir was a surly and combative boy at school — his best friend recalled that "he could get into a fight with anyone" because "he had no fear". Nonetheless, a slight but scrappy young boy in a city overrun with street gangs needed an edge, and at the age of 12 he took up first sambo, a Russian martial art, and then judo. He was determined and disciplined, and by the time he was 18 had a judo black belt and third place in the

national junior competition. Of course, this has since been used as part of his carefully-curated macho persona, but it also confirmed his early belief that in a dangerous world, you need to be confident but also realise that, in his own words, when a fight is inevitable, "you must hit first, and hit so hard that your opponent will not rise to his feet".

Asking the KGB for a job, 1968

On the whole, people avoided going to 4 Liteyny Prospekt, the KGB political police headquarters in Leningrad. So many had passed through its interrogation cells to the gulag labour camps in the Stalin era that the bitter joke was that the so-called Bolshoi Dom, the "Big House", was the tallest building in Leningrad, because one could see Siberia from its basement. Nonetheless, when he was 16, Putin entered its red-carpeted reception and asked the rather bemused officer behind the desk how he could join. He was told that he needed to have completed military service or a degree, and so he even asked which degree was best. Law, he was told — and from that point, Putin was determined to graduate law, after which he was duly recruited. To Putin the street-smart bruiser, the KGB was the biggest gang in town, offering security and advancement even to someone with no Party connections.

But it also represented a chance to be a mover and shaker — as he himself said about the spy films he watched as a teenager, "one spy could decide the fate of thousands of people".

A mob surrounds him, 1989

For all his hopes, Putin's KGB career never really took off. He was a solid worker, but no high

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global lens

The making of a Russian strongman

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flier. Nonetheless, he had applied himself to learning German, and this got him an appointment to the KGB's liaison offices in Dresden in 1985. There he settled into a comfortable expat life, but in November 1989, the East German regime began to collapse, with shocking speed.

On December 5, a mob surrounded the Dresden KGB building. Putin desperately rang the nearest Red Army garrison to request protection, and they helplessly replied "we cannot do anything without orders from Moscow. And Moscow is silent". Putin learned to fear the sudden collapse of central power — and determined never to repeat what he felt was Soviet leader Mikhail Gorbachev's mistake, not to respond with speed and determination when faced by opposition.

Brokering the 'Oil for Food' programme, 1992

Putin would later leave the KGB as the Soviet Union imploded, but soon secured a position as fixer for the reformist new mayor of what was now St Petersburg. The economy was in freefall, and Putin was charged with managing a deal to try and help the city's people get by, swapping \$100 million worth of oil and metal for food. In practice, no one saw any food, but according to an investigation, quickly suppressed, Putin, his friends and the city's gangsters pocketed the money. In the "wild 90s", Putin quickly learned that political influence was a monetisable commodity, and gangsters



Russian President Vladimir Putin looks through the scope as he shoots a Chukavin sniper rifle (SVC-380) during a visit to the military Patriot Park in Kubinka, on September 19, 2018.

could make useful allies. When everyone around him was profiting from their positions, why shouldn't he?

Invading Georgia, 2008

When Putin became Russian president in 2000, he hoped to be able to build a positive relationship with the West — on his own terms, including a sphere of influence across the former Soviet Union. He soon became disappointed, then angry, believing the West was actively trying to isolate and demean Russia. When Georgian president Mikheil Saakashvili committed his country to joining Nato, Putin saw red and a Georgian attempt to regain control over the Russian-backed breakaway region of South Ossetia became an excuse for a punitive operation. In five days, Russian forces shattered the Georgian mil-

constant West would huff and puff, but ultimately back down in the face of a determined will.

Protests in Moscow, 2011-13

A widespread — and credible — belief that the 2011 parliamentary elections were rigged sparked protests that were only galvanised when Putin announced

that he would be standing for re-election in 2012. Known as the "Bolotnaya Pro-

the Bolothaya Flotests" after the Moscow square that they filled, this represented the largest expression of public opposition yet under Putin. His belief was that the rallies were initiated, encouraged and directed by Washington, blaming US Secretary of State Hillary Clinton personally. To Putin, it was evidence that the gloves were off, and the West was coming directly for him, and that, in effect, he was now at war.

itary and forced a humiliating

peace on Saakashvili. The West

was outraged, yet within a year,

US president Barack Obama was offering to "reset" relations with

Russia, and Moscow was even

awarded the right to host the 2018 football World Cup.

To Putin, it was clear that might

made right — and a weak and in-

Isolating from Covid-19, 2020-21

When Covid-19 swept across the globe, Putin went into an isolation, unusual even for personalistic autocrats, with anyone going

to meet him being isolated for a fortnight under guard and then having to pass through a corridor bathed in germ-killing ultraviolet light and fogged in disinfectant. In this time, the number of allies and advisers able to have face time with Putin shrank dramatically to a handful of yes-men and fellow hawks. Exposed to fewer alternative opinions and scarcely even seeing his own country, Putin seems to have "learned" that all his assumptions were right and all his prejudices justified, and the seeds of the invasion of Ukraine were planted.—BBC



Vladimir Putin rides a horse during his vacation outside the town of Kyzyl in Southern Siberia August 3, 2009.



Vladimir Putin (foreground) takes part in a judo training session at the "Moscow" sports complex in St Petersburg, on December 22, 2010.



Russian President Vladimir Putin with military personnel during the Victory Day parade at Red Square in Moscow on May 9, 2018.

global lens

■ US NAVY'S \$13 BN CARRIER EMBARKS ON FIRST DEPLOYMENT



The USS Gerald R Ford aircraft carrier departs Naval Station Norfolk, Virginia. The US Navy's newest aircraft carrier embarked on its maiden deployment this week, a milestone for a ship that has suffered problems with some of the advanced technologies it carries.

THE MONSTER OF THE SEAS

A first-in-class supercarrier, its deployment demonstrates its unmatched, multi-domain, full-spectrum lethality in the Atlantic

WASHINGTON

he US Navy's newest aircraft carrier embarked on its maiden deployment this week, a milestone for a ship that has suffered problems with some of the advanced technologies it carries.

The USS Gerald R. Ford — which cost more than \$13 billion — will work with countries including Canada, France and Germany during a deployment that will include training on air defense, anti-submarine warfare and amphibious operations.

A live video on a US Navy Facebook page showed tugboats moving the gray-painted ship away from the pier at Naval Station Norfolk in Virginia.

The ship's deployment will "demonstrate its unmatched, multi-domain, full-spectrum lethality in the Atlantic", Admiral Daryl Caudle said in a statement ahead of the ship's departure.

The deployment will involve 9,000 people, 20 ships and 60 aircraft from nine different countries, the US Navy said, without providing a breakdown by nation.

Commissioned in 2017, the carrier is massive — more than

1,100 feet (335 meters) long, and displacing 100,000 long tons (101,000 tonnes) when fully loaded. But it can still sail at a speed of more than (54 kilometers) per hour. The ship — named for the 38th US president — requires hundreds fewer crew members to operate than previous carriers and is designed to be able to carry futuristic energy weapons that are still under development.

A key improvement over previous carriers is supposed to be the rate at which it can launch and retrieve aircraft, but there have been issues with the systems involved, according to a June 2022 report to Congress.

"The Navy anticipates achieving reliability goals in the 2030s," the Government Accountability Office report said of the carrier's Electromagnetic Aircraft Launch System and Advanced Arresting Gear, adding that reliability issues could "prevent the ship from demonstrating one of its key requirements — rapidly deploying aircraft". The vessel's weapons elevators - which move missiles and bombs from its magazines to the deck so they can be loaded onto planes - have also suffered problems. "The ship's

first deployment was delayed by a need to complete work on the ship's weapons elevators and cor-

As the US debates the utility of the carrier, other nations are busy investing in aircraft carriers, which speaks to the ship's continued utility both in peacetime and war.

Mackenzie Eaglen, a senior fellow and defense expert at the American Enterprise Institute

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rect other technical problems," the Congressional Research Service said in a report updated in August, adding that the final elevator was tested and certified late

As the Gerald R. Ford goes to sea and with other similar carriers in the works, there is debate over whether new weapons such as anti-ship ballistic missiles have rendered such ships obsolete, or will do so in the future.

Mackenzie Eaglen, a senior fellow and defence expert at the American Enterprise Institute, argues that their time is far from over due to the deterrent role they play. "The US military — most visibly through US Navy carrier strike groups — first deters bad actors and messy wars. If deterrence is lost, then we have a lot of equipment and bases that are vulnerable in the next conflict," Eaglen said.

"As the US (seemingly constantly) debates the utility of the carrier, other nations are busy heavily investing in aircraft carriers — from India and China to France, UK, Australia and Italy — which speaks to the ship's continued utility both in peacetime and war," she added. — AFP

OBIT

■ NEWS HOUR

LEGENDARY VOICE FALLS SILENT

For years, veteran news anchor Khamis Themor delivered the Kenya Broadcasting Corporation's Swahili news bulletin with authority, confident in the national language and commanding in delivery

BY BILL ODIDI

he scene in the old newsroom at Broadcasting House, Nairobi, was frantic as 7pm approached. Supervisors dashed across the cramped room, reporters seated on mahogany desks banged out final edits to stories on their typewriters, as the whirring telex machine churned out reams of articles from across the world.

In the corner, a towering dark-complexioned figure with a booming voice and sporting an afro hairstyle straight out of 1970s, calmly looked at the clock as the seconds ticked towards the top of the hour.

Khamis Themor, who died on September 29, was literally the face of the Kenya Broadcasting Corporation's (KBC's) TV news programme, Habari, in an era when the public broadcaster was the mouthpiece of the government. He delivered the bulletin with authority confident in the national language and commanding in delivery.

"Lee Njiru, who was then heading the Presidential Press Unit, would call the newsroom and ask that either Themor or I be on standby whenever he knew there would be a Cabinet reshuffle or a major policy announcement by the President," says Ngulamu Mwaviro, who was Head of Radio News while Themor headed the Translation Desk.

"Njiru recognised that both of us had the ability to deliver the news with authority and could even translate an English script into Kiswahili while on air without breaking a sweat."

The newsreaders from that era were avuncular figures who treated the news as a sacred duty: they stuck to the script, no trifle ad libs.

"I first met Themor when I started reading news as a college student in 1983," recalls Mwaviro. "He and Anderson Kalu welcomed me to the newsroom and I regarded them as gurus of translation."

Mwaviro says Themor was a self-taught journalist who sharpened his skill for news translation through passionate reading.

"He loved novels, a habit that he told me was acquired from James Kangwana, who at that time was Director of Broadcasting," says Mwaviro. "Themor would ask 'Have you read this Fredrick Forsyth novel?'If I had not, he was quite happy to lend me his copy. I also developed a reading habit and eventually became an author due to his influence."

Khamis Ali Themor, who was born in Mombasa on October 11. 1950, was one of two brothers that were among the most influential broadcasters of their generation. His brother, Said Ali Matano (popularly known by the moniker "Brother"), was a radio news reader and presenter of musical shows on the National Service, Idhaa Ya Taifa.

Kweya Anyanga,who worked at the Voice of Kenya (KBC's predecessor) from 1971 was on the interview panel that hired Themor in 1973 as a (non-permanent)

translator and recalls a very confident young man.

"His grasp of current affairs was above average and he was frank," says Anyanga. "When he was asked whether he could use a typewriter, he admitted that he had never handled one in his life but was willing to learn."

It was a quirk of fate that led Themor to read news for the first time on VOK TV. The designated reader, Stephen Kikumu, was taken ill and with only 15 minutes to news time. Chief



a quick decision. Themor recalled in an interview with KBC in 2019: "Mangoka looked at me and said: You have been directing the news for a long time. Go on and read it'. He gave me his coat and tie and I went on air to read my first ever news bulletin."

That would be the beginning of a long career as a newsreader in front of the screen and behind the radio microphone. Themor was employed on full-term basis by the Voice of Kenya in April 1985 and in July 1990 promoted to News Editor.

In July 1991, he assumed the duties of Head of Translation and Current Affairs, charged with ensuring standard Swahili usage on all KBC news bulletins. He retired from KBC on May 4,2003 at the rank of Chief News Editor (Translation Desk) and left to join his family in the US.

Broadcaster Leonard Mambo Mbotela remembers Themor not just as a good reader but one who also gave honest feedback to fellow news anchors.

"If you made a mistake, he would be the first to point out the error and encourage you to do better," says Mambo. "He was a straight shooter who called a spade a spade,"Mwaviro concurs."But he also enjoyed himself and we would head out for drinks and music after putting the bulletin to bed."

"That afro was not just a matter of style but it became his identity on the screen," adds Mwaviro.

Not many people recognised Themor when he returned to Broadcasting House in 2019 to receive a Living Legend Award from KBC. The famous afro was gone and in its place was a clean-shaven head but there was no mistaking the famous baritone when he spoke.

"The youngsters joining the profession must always be ready to learn and broaden their knowledge outside their domain," says Mwaviro."That is what catapulted Khamis Themor to the legendary status that he enjoyed."

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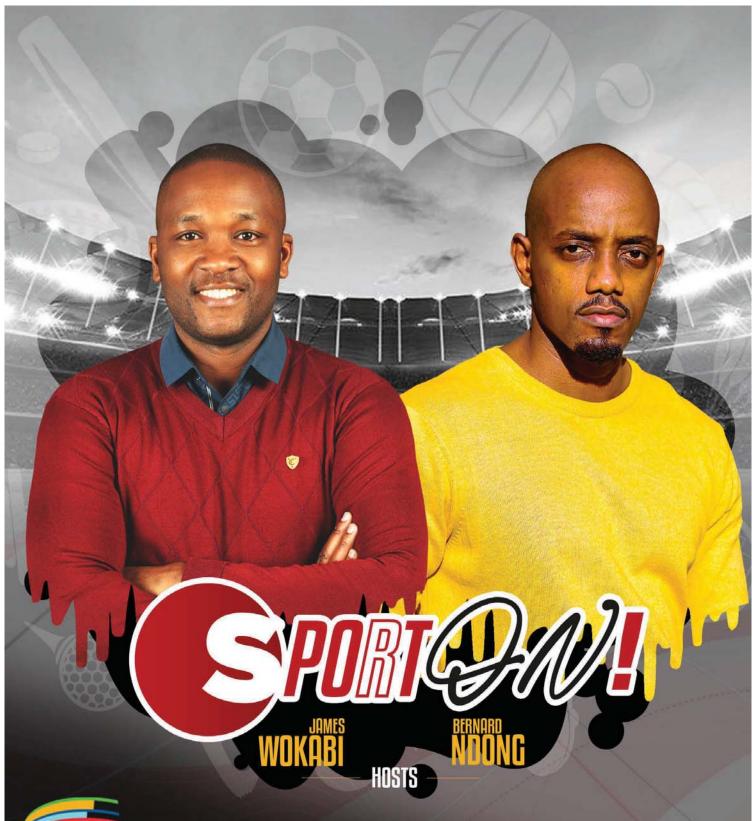
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