# THE ROLE OF KENYA'S PRIVATE SECTOR IN PEACEBUILDING: THE CASE OF THE 2013 ELECTION CYCLE



# a Research Report by Victor Owuor and Scott Wisor

May 2014





# ABOUT THE AUTHORS

Victor Odundo Owuor's primary responsibility at OEF is to lead the Business and Governance research track. Victor received his PhD from the University of Texas at Dallas in December 2012. The title of his dissertation was "Destabilizing Dark Networks: The Case of the Somali Piracy Saga and its Financial Implications for Kenya." Victor's previous accomplishments include a BSc degree in Applied Mathematics/Physics from Willamette University, Oregon and an MBA in International Business/Supply Chain Management from University of Texas at Dallas. Victor joined OEF from University of Texas at Dallas where he was amongst others, an instructor of record for an introductory course on Negotiations and Conflict Resolution. His prior work experience includes nearly two decades of project and operations management in his native Kenya. A significant part of this period comprised a long stint as the founder and chief executive of a progressive construction firm, as well as the principal of a last mile/milk run logistics company for beverage products primarily targeting the bottom of the pyramid sector.

Scott Wisor received his PhD in moral and political philosophy from the University of Colorado at Boulder, with graduate certificates in both development studies and gender studies. He spent three years as a research fellow at Australian National University in the Centre for Moral, Social, and Political Theory, working on an international participatory research project to develop new indices of poverty and gender equity. From 2006-2008, he worked for what is now the Conflict Risk Network, working with activists, governments, investors, and companies to promote conflict sensitivity in the extractive sector in Sudan. He has published widely on a range of topics in global justice, including global poverty, the resource curse, international trade, feminism, aid allocation, and the Millennium Development Goals. His first book is Measuring Global Poverty: Toward a Pro-Poor Approach (Palgrave MacMillan, 2012).

http://dx.doi.org/10.18289/OEF.2014.003

Cover Images (clockwise from left): still from Safaricom video; "Polling material arrive" by DEMOSH on Flickr; still from Safaricom video; "kenya\_violence" by openDemocracy on Flickr; "Mkenya Daima campaign" from KEPSA

The complete list of One Earth Future publications is available at oneearthfuture.org. For more information on Responsibility To Protect & Business Project: oneearthfuture.org/projects

# TABLE OF CONTENTS

Executive Summary	ii
Section 1: Introduction and Methodology	1
Introduction	1
Methodology	2
SECTION 2: THE BACKGROUND OF CONFLICT IN KENYA	3
SECTION 3: THE COSTS OF 2007-08 ELECTORAL VIOLENCE	4
Human Costs	4
Macroeconomic Costs	5
Microeconomic Costs	6
Section 4: The 2013 Elections Revisited	7
Kenyan National Elections of 2013	7
Risk Factors for Violence in Advance of the 2013 Elections	9
SECTION 5: THE ROLE OF THE PRIVATE SECTOR IN PREVENTING VIOLENCE	10
Sponsorship of Candidates	11
Public Communication	11
Media Sensitizing	13
Legislative Advocacy	13
Peace Commitments	14
Preventing Incitement	14
Presidential Debates	15
Private Diplomacy	16
Actively Maintaining Neutrality	18
Risk Management	19
Disaster Management	20
Employee Management	21
Section 6: Lessons Learned	22
Lessons for Kenya's Private Sector	22
Lessons for Similar Jurisdictions	24
Private-Sector Influence	24
Business as a Politically-Neutral Shared Interest	25
The Power of Networks and Convening.	25
Section 7: Conclusions	26
Notes	28
Acknowledgements	31

#### **EXECUTIVE SUMMARY**

Following the disputed presidential election results in 2007–08, widespread violence engulfed Kenya, killing over one thousand people and displacing hundreds of thousands. One in three Kenyans were directly affected by the violence. In 2013, independent observers feared that new elections might produce similar or worse violence; in the words of one member of Kenyan civil society, "If this election turned violent, we would lose the whole country." The elections were held, and despite disputes over election results and irregularities in the polling systems, they were the most peaceful in Kenya's history.

A number of factors were possible contributors to the peaceful outcomes of these elections: the devolution of political and economic powers to 47 counties resulting from Kenya's 2010 constitutional referendum; the looming presence of the International Criminal Court, including cases pending against the now-President and Deputy President; ongoing reforms in Kenya's judiciary; active engagement from civil society, national, and international organizations; a political alliance made between two who were formerly combatants in 2007–08; and a general agreement among Kenya's political elite that the events of 2007–08 could not be repeated.

The private sector undertook a sustained, systematic, and comprehensive peacebuilding campaign Consistently overlooked in the analysis of the 2013 elections is the role of the Kenyan private sector in promoting peace. The private sector undertook a sustained, systematic, and comprehensive peacebuilding campaign that almost certainly contributed to the peaceful nature of the electoral process. Private-sector engagement influenced key political actors, spread messages of peace across the country, brought together disparate sectors of Kenyan society, prevented incitement, and ensured a return to normalcy as challenges to electoral results worked their way through the courts.

This report documents how, why, and with what effect the Kenyan private sector undertook the prevention of electoral violence. It shows that private-sector actors contributed skills, capacities, influence, and strategies not necessarily available to members of civil society, government, or international institutions. By waging a protracted campaign for peace, the Kenyan private sector ensured that Kenya's democracy could continue to develop without turning to the use of force, and that business interests could be protected against the large financial risks presented by political unrest.

This report draws on a systematic review of the publicly available scholarly and popular literature on privatesector peacebuilding as well as a series of key informant interviews conducted by the authors in Kenya between October 2013 and January 2014.

The risk of widespread violence and institutional deterioration remains. Armed militias have not been demobilized. State security forces are complicit in a range of abuses. The country is ethnically polarized and plagued by corruption. Inter-communal and inter-personal violence remain distressingly common. But Kenya is also blessed with a vibrant civil society and a group of private-sector actors who share a common sense of national destiny and a commitment to build a society that is peaceful, democratic, and prosperous. The lessons learned from activities undertaken in preparation for Kenya's elections offer a blueprint for future activities to help advance this society, and they suggest avenues for other countries struggling with multi-party democracy and electoral violence.

#### SECTION 1: INTRODUCTION AND METHODOLOGY

#### Introduction

As democracies develop and evolve, elections, as centers of political contestation, can sometimes provoke violence. This was as true historically for the developed democracies of today as it is for the world's now-emerging democracies. The extant literature on the evolution of the conduct of elections indicates that the rules or circumstances under which elections are held may lead to different paths of development. One such path is fraught with violence. This is especially true in situations where, because elections shape the distribution of power and resources, entrenched interests turn to violence in order to advance their narrowly-conceived self-interests in electoral outcomes. Violence can be particularly likely to accompany elections in institutional contexts in which the political system ensures that the "winner takes all," those in which there is little accountability for perpetrating violence, those in which state security forces lack the capacity to protect civilians and disarm combatants, those where a lack of social cohesion and trust among citizens makes it possible to incite violence, and those where confidence in the ability of electoral and judicial institutions to ensure fair processes is low.

A number of countries have recently experienced violence directly or indirectly linked to the electoral process, including Egypt, Bangladesh, Thailand, India, Nigeria, Cote d'Ivoire, Zimbabwe, Burma, Turkey, Venezuela, and many other countries. This is not a phenomenon restricted solely to African democracies. However, the periodic elections on that continent are almost without exception accompanied by active conflict.<sup>2</sup> A good working definition for election-related violence in this environment is covered in the discussions of thuggery and patronage in politics in northeastern Nigeria.<sup>3</sup> This type of activity is described as the actions "geared towards winning political competition or power through violence, subverting the ends of the electoral and democratic process." While the reasons for the proclivity of many of these African countries toward election-related violence have been the subject of several academic papers and policy briefs, the actors whose activities could mitigate the effects of the election-related conflicts have not received as much attention. In this paper, we profile the initiatives of the often-forgotten actorbusiness—to build peace before, during, and after elections in the African country of Kenya.

Demography of Kenya at a Glance	
Number of Tribes	42
Main Tribes <sup>6</sup>	Kikuyu, Luhya, Luo, Kalenjin, Kamba, Meru, Kisii
Population	42 million
Main Religions	Christianity (82.5%) and Islam (11.1%)
Population 24 years and under	50.8%

Why Kenya? In order to fully appreciate the circumstances in which these incidents occurred, a review of Kenya's profile is in order. Kenya has periodically experienced election-related violence ever since the country repealed Section 2A of their constitution, which legalized one-party rule, and reverted to a multi-party electoral system in early 1992. In addition to 42 tribes, Kenya also has a significant number of citizens with South Asian heritage, as well as many Caucasian descendants of the British colonial legacy. Kenya's economy is the largest in east and central Africa. The country is host to the United Nations Office at Nairobi (UNON),7 which is the headquarters for the United Nations in all

of Africa. UNON is the headquarters for the United Nations Environmental Program, the United Nations Human Settlements Program, and all of the other regional programs in the United Nations system. With such a profile, Kenya is a key nation in Africa and therefore what happens in that country invariably gets prompt and sustained international diplomatic and media attention.

Regional Headquarters		
in Kenya Include:		
Google	General Motors	
Huawei	Old Mutual Group	
Total	Lafarge	
Microsoft	Toyota	
AIG	Samsung	
Citigroup	General Electric	
Stanbic Bank	China Broadcasting Corporation	
Barclays Bank	Reuters	
Standard Chartered Bank	Coca-Cola	
Diageo	Siemens	

The first multi-party national elections conducted after the repeal of Section 2A were accompanied by an upsurge in tribal animosities, especially in Rift Valley Province.8 The trend continued to varying degrees through subsequent elections. Multi-party elections in Kenya have therefore been associated with ethnic tensions, bloodshed, and carnage. The 2007-08 post-election violence, for example, led to over 1,300 people dying, many more being injured, and 650,000 being displaced, not to mention the significant loss of property and the disruption to economic activities in the neighboring countries with which Kenya conducts trade. Considering these circumstances, it was surprising to note how relatively peaceful the 2013 national elections were. The reasons for this turn of events have become a matter of interest to policymakers not only in Africa but all over the world, especially where early-stage democracies are emerging. This concern extends even to countries in Asia such as India, Malaysia, Pakistan, and the Philippines, which have not been immune to the problem of violence over the last decade. The factors which led to the Kenvan elections being

relatively peaceful have remained undocumented. Of these factors, the role of the business sector in ensuring that the 2013 elections transpired largely peacefully has yet to be explained in any academic paper or policy document.

By conducting a case study of business involvement in the 2013 election cycle, we hope to provide a detailed examination of the role of the business sector in peacebuilding in order to develop explanations generalizable to other emerging countries, especially those on the African continent. The study is itself part of a wider inquiry into the ways in which business and the proper regulation of business can respond to, or contribute to the prevention of, violations of the Responsibility to Protect (R2P). The R2P is a global norm that was first adopted by heads of state and government at the 2005 UN World Summit. The R2P seeks to prevent and halt genocide, war crimes, ethnic cleansing, and other crimes against humanity. Every state, and the wider international community, through its various institutions, has the responsibility to take appropriate collective action to ensure these crimes do not occur. These institutions include businesses. Even though business has been widely accepted as the most important institution in the world since the Cold War, many still perceive the business sector as being interested only in profits. This view is generally held the world over but probably more so in jurisdictions where business drives politics. Ethical lapses by business in the developed world during the first decade of the 21st century, as exemplified by AIG, Arthur Andersen, and Enron, have only reinforced the view that business drives politics. In Africa the relationship is distinctly the reverse and business has typically taken a back seat to other institutions. It is therefore of interest to determine the extent of business involvement in the last election cycle, hence the need for the case study of Kenya. It is our view that while business and the private sector are often complicit in abuses which occur during elections, they also have the power and opportunity to contribute to conflict prevention and peacebuilding. Hopefully this report will begin to document this possibility.

# Methodology

This report employed two distinct methods. The first was an extensive review of the publicly available literature (including academic research, civil society reports, news articles, and company reports) on the nature of conflict in Kenya and the role of the private sector in preventing conflict before and during the 2013

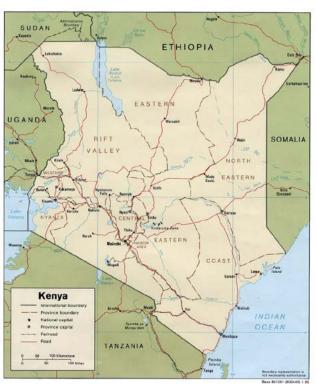
elections. The second was a series of interviews of key informants conducted in Kenya (and occasionally by phone with individuals outside of Kenya) between late October 2013 and mid-January 2014. The majority of the interviews were conducted by Dr. Victor Owuor, while a few were conducted by both Dr. Owuor and Dr. Scott Wisor.

Information was received from a wide spectrum of business interests representing small, medium, and large-scale enterprises. Interviews were held with key representatives from trade associations; banking and financial consultancies; parastatals (state-owned enterprises); energy, telecommunications, and information and communication technology; health, hospitality, advertising, media, research and polling, and tertiary institutions; the transport sector; small scale "Jua Kali" establishments and cooperatives; agriculture and food processing; manufacturing; law firms; and sports associations. The overwhelming majority of these organizations are Kenyan-owned and managed. A few, such as Safaricom, are still in majority Kenyan-owned even though they have significant foreign interests. While almost all interviewees were willing to be quoted, there were a few who requested that their views remain anonymous.

#### SECTION 2: THE BACKGROUND OF CONFLICT IN KENYA

A thorough examination of the structural and proximate causes of conflict in Kenya is beyond the scope of this report. Nonetheless, a cursory review of the nature and causes of conflict in Kenya is necessary in order to situate the 2013 elections, the possibility for electoral violence, and the role of the private sector.

Kenya, like most African nations, did not exist as a political entity until colonial powers divided the African continent, both into nations which for the most part had not previously existed, and among themselves, into territories over which each would have possession. The Kenyan boundaries were drawn by and for the British colonialists, superseding, distorting, or dismantling most pre-colonial political institutions. 11



Map of Kenya by CIA from lib.utexas.edu

As in other colonized countries, extractive institutions were established in order to maximize the economic benefits to Britain and to divide the indigenous population. Unlike in most other African countries, the British encouraged migration to and settlement in Kenya and maintained extensive land claims in the country after decolonization.

Following the successful if often brutal campaign against colonial rule, 12 Kenya's first government formed under President Jomo Kenyatta. Like many of his fellow anti-colonial leaders, Kenyatta did not usher in an era of democratic governance, but rather oversaw more than a decade of one-partyrule. Kenyatta ruled from 1963, when Kenya attained independence, until his death in August 1978. He was followed in office by his Vice-President, Daniel arap Moi. Moi himself oversaw single-party rule for a period, until under domestic and international pressure he permitted multiple parties in early 1992.

This shift did not prevent Moi from winning the ensuing elections in December, 1992, and later those held in December, 1997, though both elections were marred by low levels of violence and widespread claims of rigging. A constitutional amendment barred Moi from running again in 2002. His chosen successor in these elections, Uhuru Kenyatta, Jomo's son, was defeated by Mwai Kibaki, who represented a diverse coalition of ethnic groups. 13

In 2007, Kibaki was up for re-election as the flag-bearer of the Party of National Unity against Raila Odinga, who represented the Orange Democratic Movement. A fiercely contested and close election was held on December 27, 2007. Kenyan support for each candidate fell broadly along ethnic and geographic lines. Kibaki was controversially declared the winner by the Electoral Commission of Kenya and was hastily sworn in for a second term. Initial protests over the election results quickly turned violent. Much of the violence appeared organized, as ethnic militias or government forces directly targeted individuals on the basis of their group memberships. At least 1,300 people were killed and several hundred thousand were displaced by the fighting. With the support of international mediators including Kofi Annan, Graca Machel, and Benjamin Mkapa, Kibaki and Odinga entered into the Kenya National Dialogue and Reconciliation accord.<sup>14</sup> This resulted in the formation of a coalition government on February 28, 2008, with Kibaki serving as President and Odinga as Prime Minister

A number of factors played into the electoral violence of 2007-08

No single factor explains the rise of electoral violence in 2007–08, in contrast to the relatively peaceful elections in 2002 and the violence-free constitutional referendum of 2010. A number of factors played into the electoral violence. First, a highly centralized government in which electoral victory is seen to determine the fortunes of individuals therefore makes electoral victory of paramount importance. Second, the 2007 campaigns involved significant ethnic

overtones and bulk political messaging that incited combatants. Third, some elites deliberately mobilized ethnic militias. Fourth, government institutions were unprepared for the violence, and in many cases were complicit in causing it. Fifth, the government institutions tasked with ensuring the legitimacy of the electoral process were weak or compromised. Finally, the international community had not made a significant effort to prevent the largely unexpected electoral violence and its response was largely ad-hoc.

What is not in doubt is the fact that the 2007–08 post-election violence (PEV) was exceedingly disruptive to Kenyan business. The Kenyan private sector suffered massive losses during and after the 2007–08 PEV. Kenyan businesses sought to prevent such losses in the 2013 election cycle. From the interviews with all key informants prior to the compilation of this report, it is clear that the loss of lives and the disruptions to established supply chains as well as the extensive damage to goods and property during the 2007-08 PEV remain etched in the minds of business leaders. An overview of these costs is discussed in the section below.

# SECTION 3: THE COSTS OF 2007-08 ELECTORAL VIOLENCE

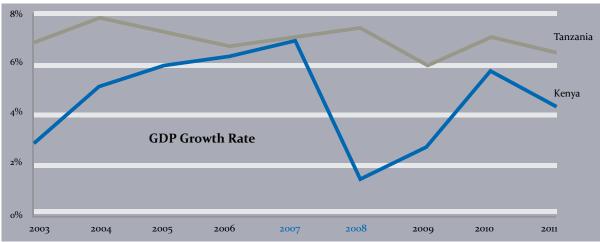
#### **Human Costs**

The costs of the 2007–08 electoral violence were most evident in the direct physical harm to Kenyans. Most estimates place the number of people killed between late December and February at a minimum of 1,300, though some estimates have suggested the number could be as high as 5,000.15 More than half a million Kenyans were displaced, with conflict and displacement occurring in 6 of 8 Kenyan provinces.

The traumatization of the Kenyan electorate should not be underestimated. In public opinion polling conducted after the 2013 elections, only 4% of respondents reported violence in their communities in the 1992, 1997, and 2002 election cycles. However, the figures show a dramatic change for the 2007– 08 cycle, with 41% of those respondents reporting violence in their communities. Specifically, 23% reported directly experiencing violence during the 2007 election. 16 Perhaps most striking is that 22% of respondents believed it was either, very, or somewhat likely that election-related violence would occur in their communities, and a full 15% claimed that violence had already occurred—during the 2013 elections.

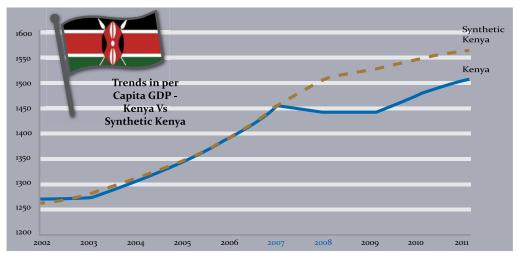
#### **Macroeconomic Costs**

In addition to the massive human costs, in lives lost, individuals injured, and communities displaced, the post-election violence in 2008 delivered massive economic damage to the country. Kenya's GDP growth rate in 2007 was 7.1%. In 2008, following post-election violence, it plummeted to 1.7%, and did not return to higher growth rates until 2010.<sup>17</sup>



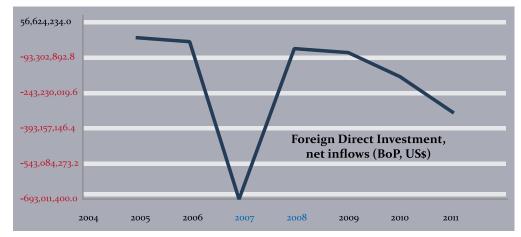
 $data\ from\ http://www.indexmundi.com/facts/indicators/NY.GDP.MKTP.KD.ZG/compare?country=ke\#country=ke\pm to the country for t$ 

The drop in GDP growth could have been caused by factors other than violence. To control for these factors, Laura Guibert and Gabriel Perez-Quiros create a synthetic model to anticipate the extended economic impact following the post-election violence. They found that across 2007–2011, per capita GDP was reduced by approximately \$70 USD, or 5% below the 2007 baseline level, as compared to if the violence had not occurred. 18 It is important to note that a 5% loss in GDP per capita has a much larger welfare impact in a low-income country like Kenya than it would have in a high-income country.



see footnote 18

Foreign direct investment (FDI) also plummeted as a result of electoral violence. In 2007 FDI was \$729 million, dropping 86.8% to \$96 million in 2008.<sup>19</sup>



This chart shows the net inflows of foreign direct investment (negative numbers reflect net received investment in Kenya) peaking in 2007, the year preceding the eruption of post-election violence.

#### **Microeconomic Costs**

The details of this economic damage can be seen by focusing on specific sectors in Kenya that were affected by the crisis. A large amount of academic literature is available on the Kenyan flower sector, which gives a useful micro-analysis of the impact of political instability and violence on a particular sector.

The Kenyan flower and horticultural industry is a major source of employment, and of foreign exchange. This export-oriented and labor-intensive industry provides jobs for low-skilled workers and women in particular. The sector has typically exhibited sustained growth, accounting for 1% of Kenyan GDP in 2007, and it competes with tea, diaspora remittances, and tourism as the largest earners of foreign exchange. The industry has approximately 120 grower-exporters throughout the country. As a result of the election violence in 2007– 08, Kenyan flower exports fell 24%. The drop was most severe in areas directly affected by post-election violence, such as Naivasha, where the decrease averaged 38%. These declines in exports were attributed to both a loss of low-skilled labor as violence displaced, injured, or killed workers, and difficulties in transporting fresh-cut flowers for exports.<sup>21</sup> For example, in Naivasha's flower industry, approximately 3,000 of the 30,000 employees, largely from the Luo ethnic group, fled due to a justified fear of violence from the Kikuyu and related communities.<sup>22</sup> The harm to the flower export industry was not brief. Prior to the electoral violence, the sector had been growing at 3% per year, and after the electoral violence it declined at -2% per year.<sup>23</sup>

At the same time, the tea industry was losing approximately \$2 million dollars per day, and some big tea estates suffered attacks on valuable assets.<sup>24</sup> The tourist industry was also hit extremely hard, perhaps more so than other industries due to the importance of projecting stability in attracting foreign travelers. First quarter earnings fell 54%, or \$130 million, between 2007 and 2008, with a 50% drop in Western visitors.<sup>25</sup> Tourism also takes a long time to recover from such shocks.

The economic impact on Kenyan citizens was significant, widespread, and enduring. Microeconomic data suggests severe financial cutbacks among average Kenyans. The economic impact was common across all income levels. It was not disproportionately the poor or marginalized individuals who were affected by the economic impacts of the post-election violence. For example, in a study in Western Kenya that surveyed individuals about income, expenditure, consumption, and behavior, Pascaline Dupas and Jonathan Robinson found significant economic impacts among three types of surveyed individuals. Small vendors and artisans

experienced a 48% drop in income between November 2007 and January 2008. Shopkeepers saw average incomes drop 59%. And a highly marginalized group, women who engaged in transactional sex, saw their income drop 89% in the first two weeks of January and stay at 50% below pre-crisis income through the rest of the month, with a corresponding increase in risky transactional sex. It is also worth noting that on the domestic front, all sampled individuals experienced a sizeable decrease in meat consumption.

Importantly, many traditional mechanisms used by individual households to deal with economic shocks were not available during the crisis. Informal networks of borrowing or lending often generate consumption-smoothing during unexpected shocks, serving as a form of risk insurance. But because economic difficulties were experienced across the economy, all households were experiencing the shock at the same time, thus decreasing the risk-mitigating possibilities of inter-household transfers. <sup>26</sup> This is not to say that informal loans and gifts were not exchanged during this period, but they were unable to smooth consumption and serve the more familiar risk mitigation role.

Anecdotally, many Kenyans who participated in violence following the disputed elections also reported economic hardship, stating that they had expected payment or other economic gains as compensation for following various directives to engage in inter-communal violence, but the expected benefits never materialized <sup>27</sup>

It is well recognized in the extant academic literature that violent conflict imposes huge economic costs on society, despite the fact that many combatants are involved at least in part based on material interests. This was certainly true in Kenya: whatever gains combatants may have thought they would achieve through violence following the disputed elections in 2007, massive economic damage was inflicted on the Kenyan economy, most major privatesector actors, and individual Kenyans as a result of two months of widespread violence in 2007 and 2008.

Violent conflict imposes huge economic costs on society, despite the fact that many combatants are involved at least in part based on material interests.

# SECTION 4: THE 2013 ELECTIONS REVISITED

# Kenyan National Elections of 2013

According to the International Crisis Group's comprehensive report on the status of Kenya on the eve of the 2013 national elections, it was hoped the exercise would turn the page on the bloodshed and mayhem of the 2007–08 cycle. It is therefore imperative that the context of business involvement be elaborated on in order to provide proper grounding for this report.

Even though there had been a clamor among politicians and the public alike for a review of Kenya's constitution in the two decades prior, the events of the 2007-08 PEV provided an impetus for a comprehensive review. A new constitution was debated upon, proposed, and eventually passed in a peaceful referendum in August 2010. Among the many goals of the new constitution were to entrench democratic principles and reduce the tensions that made the presidential elections a zero-sum game. The constitution introduced new voting rules such as the requirement that the president win "50% + 1" of the votes and enjoy geographic support over a substantial proportion of the newly-created 47 semi-

autonomous counties. The country's previous unitary governance structure had eight provinces controlled closely by the central government. The concentration of power had over time led to unbalanced development in the country.

Concentration of power had over time led to unbalanced development in the country

The new constitution also called for the 47 counties to each choose a governor, senator, and local assembly representatives as a way to devolve power away from the central government. Among the reforms also put in place by the new constitution was the establishment of the Independent Electoral and Boundaries Commission (IBEC) tasked with the responsibility of preparing for and conducting all national elections. Other steps taken were the appointment of a new chief justice who entered office with highly

respected credentials. It was expected that these reforms and planned changes in the judiciary, police, and other government institutions would elicit a more robust prevention of and response to electoral fraud and disputes.28

The 2013 national elections saw competition at the ward, constituency, county, and presidential levels. Selection of ward representatives would comprise members of the county assemblies, while a similar exercise at the constituency level was for the national parliament and the 47 senators for the national senate. This arrangement was a major departure from what was in place prior to the new constitution. Kenya had, until the 2013 elections, an executive president and only one level of the legislature. In addition to the tiered elections there were also legislated nominations for women and disabled groups at the county assembly, national parliament, and senate. Elections were held with two leading coalitions and a plethora of minor parties. The two leading coalitions were the Jubilee Alliance, led by Uhuru Kenyatta seeking presidency with William Ruto as his deputy, and the Coalition for the Restoration of Democracy (CORD), whose flag-bearers were Raila Odinga and Kalonzo Musyoka. In total, eight groupings sought the presidency. Among the smaller groups was the Amani Coalition led by Musalia Mudavadi. Some of the smaller parties fielded candidates for only a few of the available seats without pursuing the presidency.

As is documented in the International Crisis Group's analysis of the events leading to the 2013 elections,<sup>29</sup> the then-pending International Criminal Court (ICC) proceedings against Uhuru Kenyatta and William Ruto influenced the formation of alliances. With Uhuru Kenyatta and William Ruto facing charges at The Hague court for crimes allegedly committed during the 2007–08 PEV, the stakes for this election cycle were raised. The ICC cases became politicized and accusations were bandied about as to their perceived use as a tool to influence electoral outcomes. Supporters of the Jubilee Alliance not only "saw the hand" of CORD luminaries in the predicament of Kenyatta and Ruto, but also viewed the ICC process as foreign interference in the conduct of Kenyan affairs, while CORD and its affiliates claimed that the proceedings were an earnest and independent attempt at eroding the impunity that had long been enjoyed by the political elite in previous election cycles.<sup>30</sup> In the months leading to the elections, suits were filed in Kenya's High Court questioning the validity of candidature for political office of those under ICC indictment. The High Court eventually permitted the names of Uhuru Kenyatta and William Ruto to feature in the 2013 ballot. The elections that were initially expected to be held in December, 2012 were instead set by the High Court for March 2013.

Added to the uncertainty surrounding election dates and the validity of ICC suspects on the ballot was the bungled IBEC procurement of biometric voter registration and voter identification kits. The IBEC missteps were compounded by a late start to the registration of eligible voters, leaving little flexibility in the timeline for the other necessary activities such as voter education, the review of electoral rolls, the testing of ICT systems

and the training of those using them, and all other requirements for the conduct of valid elections. The IBEC faced major challenges. Tallying had to be done for six ballots per voter, and be done in the midst of the insecurity occasioned by Al-Shabaab attacks, intermittent land clashes in the Tana River Delta, lagging police reforms, heightened tensions resulting from the ICC cases, high levels of poverty and youth unemployment, and failed attempts at the resettlement of those who had been internally displaced by the 2007–08 PEV.

With the eyes of the world turned on Kenya, the state of the new institutions was severely tested in the 2013 elections cycle. Following tense but relatively peaceful elections, the IBEC proclaimed Uhuru Kenyatta of the Jubilee Alliance as winner of the presidential elections with 50.07% of the votes cast. The vote count had to be done manually after the electronic system put in place failed. Raila Odinga, the leading opponent, with a shade fewer than 46% of the votes cast, disputed the results on grounds of voter irregularities and IBEC technical failures. CORD filed a petition with the Supreme Court, which subsequently upheld the elections results. Raila Odinga reluctantly accepted the ruling. The Supreme Court's decision has continued to be questioned by political parties, academics,<sup>31</sup> those in civil society organizations, and other actors. The country remains divided, with many still not fully on board with the 2013 electoral process. Though polarized, the country avoided a repeat of the 2007–08 PEV. This was remarkable in light of many factors.

#### Risk Factors for Violence in Advance of the 2013 Elections

In advance of the 2013 elections, domestic and international observers argued that heightened risks existed that could potentially trigger violence in the lead-up to the election. The Global Centre for the R2P, the International Crisis Group, the Council on Foreign Relations, and many other domestic and international observers warned that the risk of violence in the 2013 elections remained "perilously high." Factors leading analysts to warn of the likelihood of electoral violence included but were not limited to:

Domestic and international observers warned that the risk of violence in the 2013 elections remained 'perilously high.'

- Continued political mobilization along ethnic lines—voters appeared to be mobilizing behind politicians from their own ethnic groups, and subsequent voting suggests this was the case.
- Concerns regarding whether adequate reforms had occurred within the Kenyan security sector—police, military, and other government security services had been responsible for many of the deaths in 2007–08. While some reform of the security sector had taken place, it was uncertain whether this was adequate.
- The untested nature of new electoral technology used in the 2013 elections—the 2013 elections were to be conducted using new biometric technology to attempt to circumvent the possibility of fraudulent elections. However, the new and untested nature of this technology led many to suspect that citizens would not believe the voting tally to be credible.
- The lack of resolution or accountability for perpetrators of 2013 elections—despite initial pledges that the Kenyan judicial system would hold people accountable for crimes committed in 2007–08, and subsequent cases being brought at the International Criminal Court, no individual involved in leading the post-election violence was ever convicted or sentenced

for their participation. This had the effects of both allowing perpetrators to remain at large and indicating to would-be perpetrators that any future violence might go similarly unpunished.

Unaddressed grievances regarding land claims, and persistent land-related inter-group conflict in advance of the 2013 election—most of the underlying grievances that led to conflict in rural areas, especially conflicts over land, had not been addressed.<sup>33</sup>

It is not possible to isolate the various causal factors that contributed to the holding of peaceful elections in 2013. At the time of the compilation of this report no literature was available on the specific contributions of each of a portfolio of possible factors that may have enabled the 2013 elections to be relatively calm. We do not know to what degree the role of the ICC,<sup>34</sup> the political allegiance of two groups that were previously opposed to each other, the tenets of the new constitution that partly devolved governance to the 47 counties, 35 the general agreement amongst political elites that the last elections had gotten out of hand, or the engagement of both domestic and foreign civil society actors prevented conflict in 2013. However, we suspect that the role of the private sector in peace building and conflict prevention did make a difference. In the pages that follow, we document how, given that the private sector had been affected by past violence, and what steps they took before the recent round of elections to prevent further violent conflict. With the systematic, comprehensive, and strategic nature of private-sector interventions over a 5-year period, it is likely that the following efforts went a considerable way towards preventing election-related violence.

# SECTION 5: THE ROLE OF THE PRIVATE SECTOR IN PREVENTING VIOLENCE

For the typical well-established opportunity-driven entrepreneur, when one thinks of business, decisions around the supply chain, such as the size of plants, the magnitude and scope of distribution systems, and the efficacy of either the buy or lease option come immediately to mind. This is because business wants to improve the bottom line and will consciously pursue revenue-enhancement and cost-reduction activities that positively affect profits. This narrative is accepted as the norm regardless of environment, whether in Africa, Asia, Latin America, or any country in the developed world. The Kenyan 2013 national elections provided a unique environment for the country's business sector. It is therefore a matter of interest to determine if, and how, Kenyan business involvement in peacebuilding activities during the last election cycle fits into this narrative.

In what follows we document the activities that were undertaken by private-sector actors, often in concert with colleagues from other spheres of Kenyan society, to promote a peaceful election. The efforts not only reflect activities tied to the presidential election but also cover the full gamut of electoral seats. We have delineated these activities to portray the diversity of efforts which private sector actors undertook in promoting a peaceful election. It is, however, important to note two things at the outset: first, this is not an exhaustive list, either of all activities undertaken by the private sector or of all activities undertaken in general in promotion of a peaceful election. We do not doubt or deny that many efforts took place both within and outside the private sector that contributed to a peaceful election. Second, there is considerable overlap among the activities. Often individual actors undertook simultaneous multiple efforts. Though the interventions may in some instances overlap, they do cumulatively represent a systematic effort to reduce tensions and build peace. In our view, the nature of private-sector engagement before, during, and immediately after the election period was systematic, comprehensive, and effective. Breaking out each activity is designed to inform future thinking about the role of business in peace building. Based on our interviews and the review of available literature, we established that the activities that the Kenyan business sector participated in during this period loosely fall into 12 categories.

# **Sponsorship of Candidates**

A number of business leaders we spoke with initiated an unexpected and promising strategy for seeking to encourage a peaceful election—they made political donations to those on opposing sides of the campaigns, thereby ensuring access to all of the major candidates and parties. The importance of access was repeatedly mentioned as being key in leveraging influence to political candidates not only on the presidential ticket but also for those seeking gubernatorial, senatorial,

The importance of access was repeatedly mentioned as being key in leveraging influence to political candidates

parliamentary, and county assembly seats. A number of interviewees mentioned that they had done this in response to the 2007 elections, where they had not been able to access certain political figures once the election was in dispute because they had not donated to multiple campaigns. This hedging strategy in making political contributions can be viewed as risk mitigation. If violence had broken out, private-sector actors who had donated to a particular candidate may have been spared damage to their enterprises if they had been able to demonstrate having backed them. On the gubernatorial level, efforts were also initiated to promote professionals with close links to the business community who were seeking elective posts within the new political dispensation of Kenya's governing structure. As was mentioned by the principal of The DEPOT, a charitable trust that focuses on youth experiential learning programs, this practice is expected to gain more steam in subsequent elections. A remaining challenge, though, will be to influence individual voters to cast their ballots in favor of leaders who have both the desire and capacity to deliver development and service in their spheres of influence.<sup>36</sup>

#### **Public Communication**

Perhaps the most visible of the public communication activities was the "Mkenya Daima" campaign, an initiative of the umbrella business organization the Kenya Private Sector Alliance (KEPSA). KEPSA has a tiered membership that includes the respective industry associations for small and big businesses, and also some big corporate firms that may or may not also be part of an industry grouping. Some of the more prominent trade association members are the Kenya Association of Manufacturers, the Kenya Bankers Association, the Jua Kali associations, the Media Owners Association, and the Kenya Flower Council. Big corporations such as Safaricom, Brookside Dairy, Coca-Cola, Kenya Commercial Bank, and Bidco Industries, to mention just a few, are also direct members of KEPSA. At the time of the publication of this report KEPSA had just celebrated its tenth anniversary.<sup>37</sup>

Loosely translated, the Kiswahili words "Mkenya Daima" mean "My Kenya Forever." The campaign was an extension of the engagement the business community had in promoting the reform agenda following the 2007–08 post-election violence. The primary aim of the Mkenya Daima campaign was to contribute to the conducting of peaceful elections and ensuing transition in order to avoid the pitfalls of the 2007 elections. The campaign was launched in January of 2012 and ran through April 17, 2013 (six weeks after the national elections). The campaign sought to create leadership that represented the aspirations of Kenyans who had in 2010 promulgated the new constitution.

The KEPSA initiative, which is documented on the organization's website,<sup>38</sup> comprised three phases. Phase I involved private sector (KEPSA) meetings with development partners, media owners, and civil society and inter-faith groups. The meetings with developmental partners were first held on March 3, 2012, and resulted in external and complementary support being added to what was initially a wholly Kenyan affair. Other meetings were held with the media owners and presenters to sensitize the fourth

estate to the importance of Mkenya Daima and the need for peaceful elections. The media owners, through their separate umbrella association, the Media Owners Association, were requested to further grant support to the various campaign advertisements running at the time. Similar meetings were held with civil society organizations and the Inter-Religious Council in an effort to have the groups commit to peace in word and deed. Other meetings were held with political parties, parliamentarians, top government officials, and the judiciary. At the grassroots level, community forums took place in the inner-city communities of Eastleigh, Kibera, Huruma, Mathare, Kariobangi, and Langata, all driven by the peace message; these areas had been hot spots in the 2007–08 PEV. Phase I of the campaign also included the organization of sporting events such as the June 2, 2012 international soccer Friendly between Kenya and Malawi at the Moi International Sports Centre (which has since been renamed Safaricom Stadium Kasarani).



National Women's Peace Forum (photo from KEPSA)

Phase II activities of the campaign were equally varied. This phase included a formal launch with a theme song, and closed-door meetings between the KEPSA board of directors and the National Women's Peace Forum, and later meetings with youth representatives. The aim of the meetings with representatives of women and the youth was to encourage them to be peace ambassadors back in their 47 counties of origin and on the university campuses where many of the youth resided. This request took on great urgency as the women, youth, and children had been the most affected by the 2007–08 post-election violence. A notable result of the meetings with the Women's Peace

Forum was the signing of a peace pledge dubbed "Mkenya Daima... Sauti ya Mama." The Kiswahili phrase "Sauti ya Mama" translates to "Voices of Women" in English. The peace pledge was eventually presented to President Mwai Kibaki in July 2012. Other activities in phase II of the campaign included exhibitions at the Nairobi International Trade Fair, school drama festivals, and sporting events such as the UAP Ndakaini Marathon and various golf tournaments. The past chairman of KEPSA, engineer Patrick Obath, also made presentations at the Kenya Diaspora Conference that took place in the United States in October of 2012.

Phase III of the Mkenya Daima campaign strengthened the peace message through several outlets. These outlets included op-ed articles in print media; upcountry youth training in the towns of Eldoret, Kisii, and Kericho; music concerts; peace walks; church services; professional students associations; a speakers roundtable; donor's roundtables; and two presidential debates. The presidential debates were a first for Kenya and were held on February 11, 2013, and February 25, 2013, respectively. The Kenya Association of Manufacturers, a KEPSA member, also hosted the Nairobi county gubernatorial debate on February 4, 2013, as part of the phase III activities.

It is worth noting that the Mkenya Daima campaign, even as early as the tail-end of phase I, had gained considerable visibility. A survey done by the renowned polling firm Ipsos Synovate determined without prompts that 33% of Kenyans at the end of phase I had either seen or heard the peace and patriotism messages advanced by the campaign. With prompts this increased to 39% of the population. The corresponding figures for those with social media access were as high as 81%, indicating the campaign had significant brand visibility. As the campaign moved into the two successive phases, the initiative gained even greater visibility; this change was captured in the Ipsos Synovate survey.

# **Media Sensitizing**

During the 2007–08 electoral violence, the media (in particular FM radio stations in the vernacular) played an important role in relaying the messages that led to political and ethnic violence. Ahead of the 2013 elections, the private sector and media companies (including the Standard Group, the Nation Media Group, and the Royal Media Services) worked extensively to train and sensitize media owners, journalists, and community radio hosts in how to report on political issues in a way that would not lead people to turn to violence. This included reporting on social and political issues, rather than on ethnic loyalties, and not rebroadcasting political rallies where hateful messages were spread. KEPSA met independently with media owners and media personalities to ensure that reporting during the campaign would be done in a way that would foster democratic outcomes.

The Ford Foundation also funded training for community journalists reporting in local dialects, mainly through community radio, in more than half of the 47 counties.<sup>39</sup> Radio personalities had played an important role in fomenting the post-election violence in 2007-08, as evidenced by the indictment of Joshua arap Sang before the International Criminal Court. The training of local journalists on how and when to report on sensitive issues increased the likelihood that radio broadcasts would provide a valuable public service as opposed to being a vehicle for spreading hate and violence.

Radio personalities had played an important role in fomenting the post-election violence in 2007-08

In addition to sensitizing the media on how to report on key political issues, the Media Owners Association committed to providing discounted services for the peace messaging produced by the Mkenya Daima campaign, providing one free commercial for each one purchased.

# Legislative Advocacy

The aforementioned activities were mostly attributed to KEPSA initiatives. This is worth noting because lobbying in Kenya has not gained the level of prominence that it has in legislative assemblies in developed countries like the United States. According to KEPSA's Kenya National Business Agenda II, the period between 2008 and 2012 captured a time when "KEPSA engaged in sustained advocacy with the executive, legislative and judiciary to help create and endure the good business environment needed to spur business growth and the economy." While most of this advocacy was undertaken to address the country's business and regulatory environment, there were priority areas with direct implications for peacebuilding. In the lead-up to the 2013 elections, KEPSA in its dialogue with government organs not only identified the priorities requiring intervention but also offered "concrete solutions in terms of specific policies, laws, and regulations." Poverty and its drivers, such as corruption, political interference, and public sector patronage, were major planks for these initiatives. A working group of KEPSA directors periodically held meetings with then-Prime Minister Raila Odinga to push the organization's agenda, which included monitoring the pace of the implementation of the desired reforms. Specifically, the contribution of KEPSA and other business groups to reforms that increased job creation were notable. In 2011, for instance, based on information from the Kenya National Bureau of Statistics, more than 95% of all new jobs created in that year were in the private sector. These efforts are ongoing, with a more recent Presidential Roundtable having been held at State House, Nairobi, among the directors of the umbrella business organization, President Uhuru Kenyatta, and his entire cabinet. 40

#### **Peace Commitments**

The Mkenya Daima campaign and other initiatives used key private-sector actors to persuade key political candidates and government officials to make a commitment to a peaceful election. These initiatives were not only reported in the popular press but were also repeatedly mentioned in our interviews. Similar initiatives were made by faith-based groups, culminating in the mammoth Uhuru Park prayer rally on the eve of the elections, which brought together all of the major presidential candidates and other individuals



Chief justice with NCIC peace charter (photo from KEPSA)

seeking elective posts. 41 It is difficult to evaluate the importance of these public commitments, but it suggests that getting officials on record as committing to a peaceful election increased the chances that such an election would unfold without violence. Parallel initiatives were made by the National Cohesion and Integration Commission (NCIC), a government-funded institution that formalized a peace charter. The NCIC is a product of the Kenya National Dialogue and Reconciliation accord, and was formed in the aftermath of the 2007-08 PEV in an attempt to help foster unity following the divisions that had ravaged the country. The NCIC peace charter was a forum whereby individuals committed to conducting themselves during the political campaigns in a way that promoted peace. During a National Peace Forum held in Mombasa in June of 2012, KEPSA urged members of Kenya's Parliament to sign the peace charter and commit to peaceful elections. The NCIC's peace charter was also signed by the country's chief justice, who also commented on the role of judicial reform in supporting the upcoming election cycle.

## **Preventing Incitement**

Most analyses of post-election violence in 2007–08 highlighted the spread of public hate speech as having played an important role in turning communities to violence. The government responded to these findings by instituting strong measures criminalizing the use of hate speech. Since 2007, under guidelines set down by the National Cohesion and Integration Act, a number of politicians and senior public officials have been cited or summoned for their roles in spreading hate speech. In 2007–08, the widespread and recent adoption of mobile phones by Kenyans meant that a good deal of the hate speech that was spread was dispersed over mobile networks.<sup>42</sup> A recent Institute for Human Rights and Business (IHRB) report documented the role of these messages and the subsequent response by the private sector. In 2007–08, bulk text messages such as the following were sent to mobile phones:

"We say no more innocent Kikuyu blood will be shed. We will slaughter them right here in the capital city. For justice, compile a list of Luos and Kales [members of ethnic communities] you know at work or in your estates, or elsewhere in Nairobi, plus where and how their children go to school. We will give you numbers to text this information."43

"Fellow Kenyans, the Kikuyus [a Kenyan tribe] have stolen our children's future. Hope of removing them through the ballot has been stolen. We must deal with them the way they understand, violence. We must dominate them."44

The degree to which mobile networks were used to both spread ethnic hatred and to organize post-election violence appears to have surprised the mobile operators whose networks were used. 45 In advance of the 2013 elections, mobile operators sought to develop guidelines for preventing the use of their networks for spreading political speech that was hateful, derogatory, or likely to incite violence. In particular, Safaricom took the initiative in developing a set of guidelines for blocking the transmission of bulk political text messages, which are messages sent to large groups of individuals in a given area—the text equivalent of email SPAM.

In some reporting on this issue, 46 analysts indicate that the government developed guidelines to prevent the use of mobile networks for hate speech. While it is true that the Kenyan government in general has been proactive in prosecuting individuals for hate speech, it was the mobile operators, in particular Safaricom, who went to the government in order to develop the guidelines for blocking bulk text messages. Safaricom and other mobile operators did not regulate the sending of individual texts, or the posting of content on various web platforms. Work in this area remained controversial because attempts to regulate speech on mobile networks must balance the importance of preventing widespread harm with individual rights to free expression.

In addition to blocking inciting messages, Safaricom donated 50 million text messages to the civil society organization Sisi Ni Amani. 47 Sisi Ni Amani, which is Kiswahili for "We are peace," is a grass-roots organization that used these messages to target specific groups during the electoral period. Texts were sent to specific areas depending on reports that were coming in about what was happening. For example, if a rumor was spreading that a polling place would be closing soon, Sisi Ni Amani staff would contact the polling place, find out the real polling hours, and send this information to all phones in the area. If there were reports of potential violence, Sisi Ni Amani would send targeted messages to encourage community members to be vigilant in supporting a peaceful election. This downstream text-messaging complemented Safaricom's efforts to block harmful political messages and ensure that the mobile network contributed to a peaceful election.

#### **Presidential Debates**

Presidential debates may not be immediately obvious tools for preventing violence and building peace. In mature democracies they may be seen more as a political spectacle wherein candidates' fortunes may rise or fall based upon a singular performance. But in Kenya, when the first-ever presidential debates were held during the recent election cycle, the debates helped to contribute to a sense that political campaigns should be fundamentally about democratic discussion among candidates, and that elections are to be won with the best ideas and messages rather than with mobilized militias. The debates were facilitated by the business sector.

Past political campaigning in Kenya had been done entirely through separate rallies. In such settings, candidates are more likely to disparage their opponents and less likely to address the key political issues of the day. But in a debate format, several important things happen. First, other candidates are in the room, which likely moderates what each will say about the other. Second, because moderators produce the questions to which candidates must respond, candidates are focused on issues rather than



2013 Presidential Debates (photo from pbs.org)

personalities. Third, viewers are able to evaluate all of the candidates in a single forum based on their individual positions on important social, economic, and political issues, rather than on simple partisan campaigning. Finally, the post-debate discussion among key figures from Kenya's civil society and private sector fostered the sense that democracy is the process of public deliberation, and not a competition for power and resources by other means.

We therefore consider the private sector's role in bringing about Kenya's first-ever presidential debates to be momentous in its own right and to be a significant contribution to a peaceful election cycle. KEPSA organized and hosted the presidential debates, and ensured that both the debates and the subsequent political commentary in the media focused on key issues facing the country. Strathmore University hosted the first and only Nairobi County gubernatorial debate.

Furthermore, private-sector actors made other contributions to fostering democratic debate in the country. The polling firms Ipsos Synovate and Infotrack made a number of distinct contributions to fostering democratic discussion and the conduction of peaceful elections. The first was to conduct regular polling, both on voter preferences regarding candidates and on voter preferences regarding issues of the day, which drove the focus of the candidates. Second, Ipsos Synovate donated free services to evaluate the effectiveness of the Mkenya Daima campaign. These services evaluated the market penetration and public awareness of the Mkenya Daima campaign. Third, Ipsos Synovate engaged in extensive outreach to both members of the media and politicians explaining how to read, interpret, and respond to polling results. This further fostered a sense of democratic discussion and encouraged politicians and political parties to see issues and messaging as the key to electoral success.

While some these activities are certainly well within the normal roles of a typical private polling firm, our view is that the Ipsos Synovate firm explicitly aligned its private and social functions. It is our sense that the firm sees its work in evaluating social and economic development, and providing information on political issues, as part of the process of building a mature democracy that is capable of delivering shared prosperity. It is a sign of esteem that Kenyans can frequently be heard saying "let's take an Ipsos," which loosely translated means "let's take a poll," in order to decide an issue that is in dispute.



Gubernatorial debate (photo from wn.com,

In addition to the presidential campaign, private-sector actors were involved in promoting democratic discussion in other campaigns. For example, the Kenya Association of Manufacturers (KAM) in partnership with Strathmore University hosted the first and only debate for the Nairobi gubernatorial candidates. Kenyans found value in all of the debates at all levels. In a letter to the editor of the *Daily Nation* newspaper, Benard Amaya stated that the "debates have played a role in diffusing tensions and detribalizing Kenyans."48

# **Private Diplomacy**

Little of this activity by Kenyan business leaders has been previously documented. The genesis of their involvement was the 2007–08 post-election violence. At the height of this conflict the members of the group

now referred to as the "Council of Elders" were exposed to the slaughter and mayhem occasioned by the disputes arising from the elections that had just been held. The ad-hoc committee of those with key business interests who had ties to both principals in the subsequent coalition government was formed in the heat of the violence. Members of the committee included Alice Nderitu (of the National Cohesion and Integration Commission), Paul Gondi (Kenbright Insurance), Wilfred Kiboro (Wilfay Investments), Joshua Kulei (Sovereign Group), and General Daniel Opande (African Peace Dialogue). Other private sector players at the time included Patrick Obath, then the chairman of KEPSA, Mugo Kibati of the Kenya Vision 2030 Secretariat, and other business titans. The members of the committee were determined to do their parts to restore some normalcy to a country where "elections had become an eyesore of Kenyan society." Meetings of the committee were held in the Amani Room of the Serena Hotel, funded in part by the United Nations Development Program.<sup>49</sup> The room remained the primary meeting place for the committee during the various deliberations that culminated in the signing of the National Accord that established the coalition government of 2008–2013.

Following the establishment of the coalition government the committee remained relevant, providing occasional advice to the principals. Toward the end of 2012, the committee members undertook to ensure that everything possible be done to avoid violence similar to that of 2007–08. Regular meetings to help mitigate the effect of political violence started in earnest. The committee was driven by memories of the suffering endured during the previous election cycle—"death, displacement, hunger, denial

*An ad-hoc committee* of those with key business interests was formed in the heat of the 2007-08 violence

of economic opportunities, and loss of dignity."50 The committee members contributed their time and resources to ensure that "a structured, focused, purpose-led, and committed conflict reduction strategy"51 was in place by leveraging their strengths in order to:

- Reach out to presidents of neighboring countries to reassure them that their respective economic interests would not be hampered by Kenya's forthcoming elections. (Incidentally, the majority of committee members knew the region's presidents well.)
- Influence the two leading media outlets to avoid inflammatory editorial content (two of the members had significant influence through their positions and/or shareholding at the Nation Media Group and the Standard Group).
- Lessen conflict in all spheres of society.
- Impress the leading candidates, through their direct contacts with the Raila/Musyoka and Uhuru/Ruto camps, to tone down campaign rhetoric.
- Maintain their neutrality and not be aligned with any one presidential camp, even while consciously striving to interact with politicians as much as possible.
- Focus agencies on alleviating suffering.
- Promote national cohesion.
- Ensure business continuity.
- Successfully lobby candidates to publicly sign the peaceful campaign pledge and commit to the court process for any potential election petitions or disputes.
- Above all, "make a difference to the status quo."52

## **Actively Maintaining Neutrality**

In any human endeavor, it is difficult to maintain neutrality because humans by nature have biases. However, organizations can strive for neutrality in their public actions. Among the firms interviewed, the matter of neutrality came up repeatedly as a key undertaking for businesses in order to lessen tensions during the last cycle. It is therefore worth noting how some Kenyan businesses went about expressing their neutrality in that election cycle. One example is Sasini Limited, a vertically-integrated agricultural company with divisions spread over the production, processing, packaging, exporting, and retailing of tea, coffee, dairy products, and agricultural products. Sasini Limited is a subsidiary of the Sameer Group, one of Kenya's largest conglomerates. Sasini Limited's operations are spread over the expansive Rift Valley, the central Kenyan highlands, Nairobi, and Mombasa. The tea component of Sasini's farming activities is concentrated in the Sotik area that sits at the intersection of the Kisii and Kalenjin communities. During the 2007 elections those two communities were perceived as supporting the PNU and ODM parties respectively. The violence over the hotly disputed elections spilled over into the Rift Valley, leading to much destruction and many deaths in the Sotik area. For the then-incoming CEO of Sasini, Dr. Caesar Mwangi, "the experience was a baptism of fire." The financials of Sasini suffered severely in 2008 and the slow recovery since then has only been maintained. in the slim-margin tea business, by a sustained set of activities.

**Organizations** can strive for neutrality in their public actions.

From then on, according to the CEO, "Sasini consciously sought and maintained peace messages in all our dealings in the area through the last election cycle and even to date." These measures included farmers' days "Barazas"<sup>53</sup> for out-growers, interaction with the tea pickers' unions, and engagement with other stakeholders. Sasini also made determined efforts

to portray neutrality by discouraging political rallies on its tea estates, and to be neutral in the hiring of staff in the Sotik, Bomet County operations. Sasini sought a balance in its hiring practices so that no community felt left out. Other conflict-reduction measures undertaken by Sasini included the decision to continue using manual picking of tea even in the face of the machine harvesting methods common to the big foreign multinational competitors. Finally, according to its CEO, Sasini "continues to reduce potential conflict due to environmental degradation by promoting responsible water protection practices." In such border regions, water-related tensions can quickly flare up into unnecessary violence between communities, especially during the tension of election times.<sup>54</sup>

Other proponents of business neutrality were the Langata Development Company and the Kenya Bus Management Services Company Limited (KBS). The Langata Development Company acquired a huge inventory of land parcels from jittery predominantly-Kikuyu sellers in the wider Rift Valley that remained on the company's books for extended periods of time. The parcels were not developed in order to avoid inflaming any potential tensions in the lead-up to the 2013 election cycle. This action went against the established company model of acquisition and quick division of land before reselling.

KBS went even farther in demonstrating business neutrality. KBS has had several iterations in its ownership structure since its inception. KBS, long a pioneering public-private partnership with beginnings in 1934, is these days run on a franchise model. KBS is among the two largest bus operators in Kenya. KBS therefore does not own the buses that ply the Nairobi roads (and are occasionally rented for upcountry trips). KBS helps operate the large fleet of vehicles on behalf of their individual owners. According to the CEO, Edwins Mukabanah, during the period leading up to the 2013 election cycle "the single biggest decision we took was to exercise great caution in our operations." KBS became quite prudent on where to go and consciously maintained a

sense of neutrality in bus branding. KBS refused to take on branding that identified with any political party. The same caution was exercised in vehicle hiring as well as in deliberations regarding applications for new franchisees and staff recruitment. The decision to be cautious and neutral in transactions allowed KBS to protect its market share and therefore strengthen its business. Some of the company's competitors were not as cautious in their branding and therefore missed out on clientele, especially in the 2007–08 election cycle, and some even experienced vandalism. This unity of voice also gave KBS "clout in the various umbrella organizations" that it belongs to, which include the Kenya Transport Association and KEPSA, where the CEO of KBS is a governor and a member of the finance committee.

## **Risk Management**

Closely related to the business continuity plans discussed above is the concept of insurance, a service that historically has had a very low uptake in Kenya and other African countries. According to the Association of Kenyan Insurers, 55 a consultative and advisory body for the industry, insurance in the period up to 2011 was only 2.5% of the country's gross domestic product. Many Kenyan businesses were therefore ill-prepared

Very few Kenyan businesses in 2007-08 had taken policies to cover political risk.

for the aftermath of the 2007–08 post-election violence. Very few had taken policies to cover political risk. In spite of the frequency with which election-related violence had emerged in prior elections, the business community in general did not factor this provision into the equation, thus taxing their ability to rebound quickly. Even at the time of writing this report, blight from buildings damaged in the 2007–08 post-election violence was still evident in the city of Kisumu.<sup>56</sup> Properties such as the Gulf Stream Hotel in Milimani, the Copy Cat Limited and Punjani Hardware in downtown Kisumu, and the Classic Guest House near Dunga Beach remain abandoned in their vandalized states. The owners of these buildings had not taken appropriate insurance coverage. It is clear that traditional or informal risk management arrangements could not provide protection against the high severity—though low frequency—of political violence. In times of severe loss, the small- and medium-sized businesses are very much at risk of not being able to get back into operation.

In light of this, did the aforementioned low level of insurance penetration change in the period before the 2013 elections? Prior to 2008, Kenya as a country was not specifically offered political violence coverage. The first such insurance coverage to offer "protection against the loss of personal and business property due to acts of political violence and terrorism" is attributed to UAP Insurance.<sup>57</sup> Prior to the introduction of this policy, known as "Polisure," the risks covered by this service were incorporated as standard exclusions in other policies. Polisure has since become a standard-bearer for risks tied to civil unrest, riots, commotion for political reasons, sabotage, revolution, insurrection, mutiny, violent government overthrow, and any form of malicious damage arising from political reasons. Variants of the UAP Insurance policy are now on offer from a multitude of insurance companies operating in Kenya, such as AIG, British-American Insurance, ICEA Lion General Insurance, CIC Insurance, and the Heritage Insurance Company. In Kisumu, which, according to a representative of UAP Insurance's direct sales unit in the Kisumu area, was a major hotspot in the 2007–08 post-election violence, in excess of 100 business owners bought the 12-month coverage ahead of the 2013 elections. While no specific data was available for other parts of the country, it is expected that this uptake of political risk coverage was replicated all over Kenya since all of the insurance companies mentioned reported significant increases in their general insurance premiums for 2012. CIC Insurance, in its 2012 annual report, took pride in its sensitivity to the needs of its largely-cooperative-movement clientele by stating that "as a responsive composite insurance company we have made it a matter of principle to expedite the claims process even before elections leading to a higher uptake of violence themed policies."58

Outside of insurance and the procurement of appropriate coverage to manage risk, some businesses also altered aspects of the way they operated in order to hedge against the potential for violence and to reduce tensions. One particularly notable example of this form of risk management was Langata Development Company (LDC), whose Financial Controller we interviewed. LDC is a Nairobi-based land buying and selling company that has been in existence for close to three decades. Its business model has mainly comprised the bulk-buying of tracts of land which are then provided with rudimentary services and subdivided for home buyers. LDC has mainly targeted parcels of interest toward the middle class in the distant suburbs of Nairobi (e.g. Ruiru, Kitengela, Embakasi, Kiserian, and Rongai), parts of Central Province, and lately the Rift Valley counties. As a result of the prevailing property boom, in the last year or so, LDC has also begun to dabble in the development of its own units which are then sold. Taking into consideration the fact that land in Kenya remains an exceedingly emotional issue, the firm's decisions before the last elections demonstrate prudent risk management. These decisions were informed by the tragic experiences of the 2007-08 post-election violence, when some of LDC's sellers were forcibly removed from their parcels in areas of the expansive Rift Valley (Naivasha, Nakuru, and Eldoret) and other hotspots. Prior to the 2013 elections, as LDC received multiple offers from many jittery Rift Valley-based sellers, it made a conscious decision to not actively develop any of the parcels that had been bought. LDC therefore undertook risk mitigation through the avoidance of developing Rift Valley parcels during a certain time period. By doing so the company ensured that the risks of inflaming any latent passions due to its activities remained remote.

## **Disaster Management**

Kenyan businesses were not going to let the disasters just resolve themselves The phrase disaster management does not immediately bring to mind peacebuilding. However, in a developing country like Kenya disasters can take on lives of their own and can potentially morph into scenarios beyond the control of any one actor. Disasters take many forms, from border disputes that develop into land clashes, to famine and drought among pastoral and nomadic communities, which heighten tensions over water sources, to tragic fires along the major transport corridors, which mostly affect the poor. These

events quickly acquire political undertones if not promptly resolved. Politicians use these situations to be seen "fighting for their people's interests." An example is the ethnic fighting of the Turkana-Pokot conflict.<sup>59</sup> In our interviews, the notion that differences arising from such disasters were not to be allowed to fester was repeatedly brought up by the Kenyan business community. Kenyan businesses were not going to let the disasters just resolve themselves, and therefore they took a proactive role as described below.

Disasters in Kenya have traditionally been the responsibility of only the government and organizations like the local chapter of the International Red Cross. Between the two elections the major disasters Kenya experienced included the Mt. Elgon clashes, the Nakumatt Downtown fire, the Molo oil tanker fire tragedy, the 2010 drought in the Turkana area, and the ethnic fighting in the Tana River Delta during the lead-up to the 2013 elections. The fire at the busy store Nakumatt Downtown led to several deaths and the building burning down. It was followed just a few days later by the tragedy of an overturned oil tanker igniting as some Molo-area residents scrambled to fill containers with the flowing fuel. The Tana River ethnic clashes involved primarily the Pokomo and Oromo ethnic groups. Business involvement in alleviating suffering and reducing local tensions among those affected had peacebuilding implications before, during, and after the elections. It is particularly noteworthy how the business community did not let any of these events degenerate into uncontrollable situations.

Among the many companies whose involvement is worth documenting are Safaricom, Gina Din Corporate Communications, Deloitte, and Kenya Commercial Bank (KCB). Safaricom took initial ownership of the drive to alleviate drought suffering in northeastern Kenya two years prior to the elections. Considerable losses of crops, livestock, and also some lives occurred in the Turkana region, which even in the best of times is prone to experiencing occasional banditry and cattle rustling activities. In alleviating the suffering of the Turkana area, the idea of "Kenyans for Kenya" became a rallying cry to help tackle the ensuing humanitarian crisis. For Safaricom, "seed money of 20 million shillings [approximately US \$250,000] quickly grew into a one billion kitty" as it brought in other donors, 60 the first of whom included Kenya Commercial Bank under then-CEO Martin Oduor-Otieno. KCB, whose 2013 statement of accounts showed assets of 385 billion Kenya shillings (US \$4.6 billion), is the largest bank in East and Central Africa and has fully-fledged branches in South Sudan, Burundi, Rwanda, Uganda, and Tanzania in addition to its Kenyan operations. Other organizations partnered with included Deloitte, which was brought in as the accountability partner for the collected funds, and the Red Cross, stewarded by Abbas Gullet, as the implementing organization. The spirit with which the business community took up this humanitarian response to the Turkana tragedy encouraged business leaders to pursue the Mkenya Daima program at KEPSA and also deal with the Nakumatt-Molo Fire Commission that was set up to deal with the dual-fire disaster. Deliberations in these interventions meant working with many others, using dedicated KCB accounts for funds collection together with M-PESA platforms, and engaging with government agencies, Nakumatt, and the owners of the gasoline that was in transit, as well as with regular "wananchi" (the public) for their contributions, both monetary and in recorded words.

#### **Employee Management**



Employees sing national anthem (photo from KEPSA)

Several of the firms interviewed expressed initial fears that ethnic differences within their employee ranks could have affected business operations in the lead-up to the last elections. To act on these concerns, some of the firms took a notable step by conducting employee seminars in order to foster harmony among employees. Many small business owners, including Songa Ogoda and Associates, COOPA Africa, and the proprietor of a small Nairobi eatery, Daddy's Pork Barbeque, took more muted steps by granting employees considerable time off to vote time beyond the stipulated official public holidays without docking them for lost time, which especially

affected those traveling upcountry to vote. Because ethnicity has always been the elephant in the room. the bigger firms like Safaricom "aggressively pursued a culture that tried to bridge differences arising from the ethnic composition" of its employee rolls. Toward this objective, Safaricom even developed a video, a copy of which is in our possession, which became mandatory viewing for all employees in the lead-up to the 2013 elections. KEPSA, for its part, arranged for the singing of the national anthem every Friday by all employees, who were decked in the colors of the national flag. Bidco Industries, whose chief executive officer Vimal Shah is the current chairman of KEPSA, also had it employees sing the national anthem every Friday in the period before the elections.

Similar harmony-building activities were notable in the sports world. As in many other countries, the bulk of Olympics funding in Kenya is provided by the private sector. According to Antony Kariuki, an executive member of the Kenya National Sports Council (KNSC) who has been deeply involved

with sports management in the country for the last quarter century, there were distinct differences in how the KNSC and its registered affiliates handled preparations for the 2008 and 2012 Olympics. In 2008, because of the very raw passions between the Kalenjin and the Kikuyu at that time, high-altitude training camps were segregated. The Kalenjin and other groups perceived as being friendly to the ODM party were hosted at the Eldoret venue while the Kikuyu and other "Mount Kenya" groups associated with the PNU party were based at the Kangaru (Embu) center. Athletes were then brought to Nairobi just a few days before their departure to Beijing. In 2012, all Olympicsbound athletes were trained at one venue. This was preceded by an Olympic qualifying series sponsored by the private sector in different parts of the country. For Antony Kariuki, "sports were and continue to be used to bring people together."



Still from Safaricom video

#### **SECTION 6: LESSONS LEARNED**

## **Lessons for Kenya's Private Sector**

The Kenya case study has shown that most Kenyans want peace, and understand the peace message if it is presented in the way the various business bodies and companies, civil society organizations, and government did in the time leading up to the last elections. Other lessons learned from the study as a result of the interviews and review of literature also became apparent:

- Business is a key stakeholder in local society and cannot take this role for granted. The 2007–08 post-election violence was a wake-up call to the business community, civil society, and government. Kenya's business community must never take an apparently stable environment for granted. It should also not ignore government at any level. Companies should remain involved in political decisions, especially in developing countries like Kenya. KEPSA's lobbying for appropriate policies, legislation, and regulations is a good start. Businesses can also make a difference by incorporating, on a continuous basis, peace initiatives either within an enhanced corporate social responsibility framework or simply as part of normal activities.
- The business sector must strive to facilitate the services that ensure security. The various business activities, such as the actions of KBS prior to the 2013 elections, reinforced the fact that security is the foundation of business. Products must be allowed to move to market, transport must be available for all who wish to travel and for workers to report to their duties, and for enterprise to thrive and the country to achieve its growth goals.
- Comprehensive business continuity planning is essential for Kenyan enterprises. The actions of the Nairobi Women's Hospital affiliate, the Gender Violence Recovery Center (GVRC), the acquisition of Election Day stocks by Vivo Energy, and the well-staffed and effective Safaricom crisis command center indicate the importance of being prepared in precarious environments such as that of the 2013 Kenya election cycle. An array of businesses provided funds to procure responder transport and lodging, medicines, and evidence-gathering kits for the emergency response to the 2012 Tana River ethnic clashes. According to the GVRC Director, these efforts initiated by GVRC were severely tested not only by the Tana River environment but also during the 2010 Mt. Elgon

clashes. They did however prepare GVRC to deal with eventualities that arose in the 2013 election cycle, unlike in the 2007–08 iteration. The 2013 plans of GVRC, Safaricom, and Vivo will therefore continue to act as models for Kenyan business continuity in the presence of unstable political scenarios.

- Businesses should advocate for an official country-level emergency response policy. Kenya needs to develop an emergency response policy to deal with situations like the 2007–08 post-election violence, the 2010 Mt. Elgon atrocities, the 2011 Sinai pipeline disaster, and the 2012 Tana River ethnic clashes. Though the local chapter of the International Red Cross is a visible and early responder to crises like these, Kenya still does not have a formal emergency response policy. Such a policy would be expected to specify at a minimum "the overall command, structure, control and extent of intervention with a particular focus on preventive measures, medical management, and health security."62
- Information-sharing between and among the various actors (business, government, faith-based organizations, and civil society) should be strengthened. Several of the interviewees claimed that it remains baffling that the three instances of atrocities in the last six years (2007–08 PEV, Mt. Elgon clashes, and the Tana River ethnic fighting) were not on the radar of at least one government security agency. These interviewees also contended that the warning signs should at the very least have been shared between the National Security Intelligence Services and business and civil society. From these claims it is evident that information-sharing between the various actors can harness the power of networks in tackling issues of mutual interest.
- *Umbrella business organizations like KEPSA need to be strengthened.* In the words of the former Chief Executive Officer of Kenya Commercial Bank, Martin Oduor-Otieno, who also sits on the KEPSA Finance Committee, "it has been challenging for the KEPSA management team led by Ms. Carol Kariuki to effectively carry out its mandate partly because funding has not flowed as readily as we would have liked." KEPSA is a young organization that has recently celebrated one decade of existence. KEPSA is mainly funded by membership contributions.
- Countrywide business initiatives that include multiple enterprises can have major impact. The interventions by the business sector in areas where Kenya has had a need for relief efforts in the last six years, and the Mkenya Daima campaign, indicate that initiatives by bodies such as KEPSA or businesses with gravitas or clout, such as Safaricom, Nation Media Group, Homegrown, Sasini, Brookside Dairy, Kenya Airways, Mabati Rolling Mills, Kenya Commercial Bank, Royal Media Services, Deloitte, and Bidco Industries, can have powerful outcomes. There are many examples of these initiatives. These interventions also show that the power of personal relationships in business can go a long way. The fact that the chief executive officers of Safaricom, KCB, Deloitte, Gina Din Communications, and the Red Cross could engage each other in significant relief efforts bodes well for other peacebuilding initiatives.
- Networks that will be tested by crisis must exist prior to such events and be able to engage when the need arises. There is a constant need for a galvanizing factor that can bring the various businesses together. Responses to KEPSA initiatives or the interventions of the larger corporations were demonstrated to be greatest in times of national crises. However, this spirit of cooperation within business networks needs to be sustained even in times of relative calm.

- A business must demonstrate that it values the best interests of the stakeholders with whom it interacts. The actions of the Langata Development Company in tying up significant company funds in idle inventory demonstrated this. Alarm bells may also already be ringing with the enactment of the new constitution, which has had the unintended consequence of introducing "County Nationalism." This has become even more relevant in the agribusiness sector, where firms such as Homegrown and Sasini have operations across several counties. An example of this state of affairs is in the "murky world of coffee milling, where farmer loyalty across counties is tied to perceived high prices."63 Any perceived exploitation of farmer groups in these scenarios has the potential to flare up into active conflict. For a business to succeed in such an environment it must offer, and be seen as offering, good value to out-growers (for vegetables, flowers, cane, coffee, and tea) in order to nip any potential conflict in the bud.
- Businesses must also been seen as being politically neutral. The private sector should not be seen as having any political affiliation, especially since the implementation of the new constitution, which has created 47 semi-autonomous counties. The value of neutrality is apparent even in the sports fraternity, where the growth and development of the industry is dependent on how well the sports sector gets along with other actors. In remaining neutral, businesses can contribute to efforts to handle the ethnic complexities that have been a significant element of Kenya's conflict situations to-date.
- Local problems benefit most from local solutions. A running theme in the activities undertaken by businesses is the sense of local ownership of the initiatives. KEPSA, for example, started as a homegrown solution to local business concerns. Though it has since benefited from donor funding as it expands its mandate, the primary driver of the umbrella organization is Kenyan business. A review of the board of directors of KEPSA for 2013–2014 shows a list of prominent, exclusively Kenyan business executives.
- The old adage "a country is only as good as its leadership" also applies to Kenya. The presidential and gubernatorial debates that were convened and supported by the business community appear to point in a direction for the country's leadership. Where possible, the business sector should strive to sponsor professionals to take up political leadership positions at the county and national levels. Such leadership should target service delivery—a concept that business is very familiar with. In so doing, business will be undermining the patronage politics that have been the bane of Kenya. In Kenya, as in much of Africa, the basic unit of reference has historically been family and kin-based, translating into a nation of special interests. Business can change this narrative and promote a jurisdiction that "values self-worth instead of net worth." 64

# **Lessons for Similar Jurisdictions**

At the time of this report, national elections were planned for eleven African countries in 2014.65 What key lessons could these jurisdictions, and other jurisdictions with similar socio-economic conditions, learn from the Kenya experience? Our interviews and the review of existing literature point to the lessons discussed below. The application of the takeaways is necessarily context-dependent.

# Private-Sector Influence

The key message to come out of interviews with members of civil society was the ability of private-sector actors to access and influence political actors. In the words of one member of civil society, "We have connections and policy recommendations, but we have no influence. The business people have influence. By partnering with them, our message gets through."66

There are at least four reasons the private sector can succeed in influencing political actors where others fail. First, political success is often evaluated in terms of social and economic development. Political leaders recognize that failure to deliver social and economic development may lead to a weakening of political support. They may therefore be particularly attentive when businesspeople highlight the business risks of politics-related conflict.

Second, the private sector has understood that a style conducive to constructive engagement is essential to exerting influence. Where threats to national wellbeing are phrased as common challenges that must be confronted together, it is far more likely that government officials will feel comfortable sitting with the non-state actor, listening openly, and crafting collaborative solutions. A more adversarial approach is likely to provoke defensiveness and a reluctance to engage at all.

Third, many political actors have private-sector interests. They therefore are able to speak with businesspeople about these common interests, sharing a language of interests and needs that may help them see the economic importance of political stability. In the case of the 2013 elections, the two leading candidates came from families with vast business interests in Kenya and the wider East Africa region.

Political actors are able to speak with businesspeople about common interests

Fourth, many political actors rely on members of the private sector for political support. If this support is contingent upon providing a stable political environment, private-sector actors may be able to convey the importance of a peaceful and stable institutional environment to those who may be likely to instigate electoral violence.

#### Business as a Politically-Neutral Shared Interest

The common interests of private-sector actors, especially those that are conducive to well-functioning business operations, allow for neutral territory on which individuals and groups with other political disagreements may find common ground. Private-sector actors rely on normal economic activity, access to transport networks, reliable employees, and investors who have faith in the institutional environment. One example of this notion is illustrated by the thoughts of a civil society activist we spoke with who had worked in one of the areas with severe conflict during the 2007–08 violence. He noted that many of the business owners in the area suffered significant losses during the violence. Recognizing this common loss, the business owners, who backed many of the local politicians, convened to ensure that the politicians would not resort to violence to ensure electoral victory. They recognized that violence in 2007–08, ostensibly designed to advance the interests of some over others, was in the end a strategy that resulted in everyone losing.

#### The Power of Networks and Convening

The ability of the private sector to contribute to peacebuilding and conflict prevention is considerably enhanced both when the private sector acts in a collective and coordinated fashion and when it joins with other spheres of society to strengthen its message.

Three features of the Kenya Private Sector Alliance's efforts to promote peaceful elections stand out as useful models for future efforts to engage the private sector in conflict prevention both within and outside

Kenya. First, the campaign built on existing institutional structures and past efforts to promote the public good in Kenya. The facts that KEPSA had been formed a decade earlier, had been engaged in promoting the interests of the private sector, and had been involved in two previous efforts to promote the public good in Kenya certainly strengthened its ability to be effective in preventing electoral violence. Second, KEPSA deliberately includes a wide-ranging membership of private-sector actors in Kenya, including large numbers of small- and medium-sized enterprises in addition to the more commonly represented large local and multinational firms. This diverse membership allowed KEPSA to undertake a diverse range of activities to be carried out by the members who had the relevant capacities. Third, KEPSA's deliberate outreach to other spheres of Kenyan society, including religious groups, civil society, sporting organizations, and youth organizations, increased the impact of the various activities undertaken.

Any individual business seeking to promote peace and prevent conflict may face risks in doing so. By wading into political territory they may fear reprisals for efforts to shape political outcomes. But by functioning as a collective group, all businesses involved in peacebuilding ensured that they were protected from potential political blowback and this increased the impact of their actions; the collective peacebuilding activity was stronger than the sum of its individual parts.

# **SECTION 7: CONCLUSIONS**

Despite the recent peaceful elections in 2013, Kenya saw localized but very severe conflict in several areas in the months preceding the most recent election cycle. In 2012 and early 2013, nearly 500 Kenyans were killed in various conflicts, and over 100,000 were displaced.<sup>67</sup> While this violence did not spread or threaten to drive the country to civil war, it indicated that significant portions of the country were already using violent means to achieve political objectives. With more at stake in the 2013 elections, the risks of further violence were high.

In the words of the International Crisis Group:

Though the 2013 general elections were relatively peaceful, the country is still deeply divided and ethnically polarized. Complacency or maintaining the status quo is simply not an option for a still divided Kenya. Many of the conflict drivers that fuelled violence in 2007/8 are yet to be adequately addressed—high unemployment, perceived biases in public appointments, incomplete resettling of IDPs, land grievances, corruption, impunity and ethnic tensions still abound. The ICC cases, a disappointed and bitter opposition and the implementation of a new and untested system of governance remain significant challenges for the Jubilee alliance.<sup>68</sup>

The private sector can be part of the solution to the potential problems arising from the triggers of violence that the International Crisis Group has alluded to.

In terms of the peacebuilding activities that the business sector undertook in the last election cycle, the study has shown that the business community was driven by a collection of interests of their own and for others with whom they interacted. The motivations for business involvement included a desire to never go back to the dark days of 2007–08; a deep concern for the people with whom they did business; an acceptance of their mandate, especially in regard to providing uninterrupted service; the allure of, and pressure to exercise, the formidable power of a united business front; and, the fact that remaining aloof to developments that have an impact on their continued existence is bad for the sector.

Moving forward, our study has shown that business can and should be part of continuing efforts to build institutions that improve transparency in the conducting of public affairs, reduce tensions, and create a more harmonized society, as well as provide an environment that enables the sector to thrive. These findings dovetail with the United Nations Global Compact's Ten Principles, 69 which state that firms can employ their strategy, competitive advantage, and value chain to impact the natural environment as well as the political one. It is therefore imperative that the efforts undertaken to ensure peaceful elections continue in the post-election period. The private sector should continue to advance institutional reforms and improve overall governance in Kenya, and for this, appropriate funding needs to be available in order to ensure the presence of the essential capacity to engage.

#### **NOTES**

- Stanley L. Engerman and Kenneth L. Sokoloff, "The Evolution of Suffrage Institutions in the New World," National Bureau of Economic Research (2001). http://www.nber.org/papers/w8512.pdf?new\_window=1\_doi:10.3386/w8512
- See Samuel M. Atoubi's article "Election-Related Violence in Africa," Conflict Trends (2008/1).
- Ayuba Haruna and Ahmadu Hamman Jumba. "Politics of Thuggery and Patronage in North-eastern Nigeria," Academic Research International Vol. 1, No. 1 (July 2011): 111-119. http://www.savap.org.pk/journals/ARInt./Vol.1(1)/2011(1.1-10).pdf
- Friedrich Ebert Stiftung, "Political and Electoral Violence in East Africa," Center for Conflict Research Working Papers on Conflict Management, No. 2 (2001). http://library.fes.de/pdf-files/bueros/kenia/01398.pdf
- EISA Policy Brief No. 1, "When Elections Become a Curse: Redressing Electoral Violence in Africa" (from the Electoral Institute of Southern Africa's 4th annual symposium "Preventing and Managing Violent Election-Related Conflicts in Africa: Exploring Constructive Alternatives" (November 17–18, 2009) available at: http://www.content.eisa.org.za/pdf/pb01.pdf
- Central Intelligence Agency, World Factbook, "Kenya" <a href="https://www.cia.gov/library/publications/the-world-factbook/geos/">https://www.cia.gov/library/publications/the-world-factbook/geos/</a> ke.html
- UNON is led by a Director-General, a position equivalent to UN Under-Secretary-General: http://www.unon.org/
- M.A. Mohamed Salih and Per Nordlund, "Political Parties in Africa: Challenges for Sustained Multiparty Democracy," International Institute for Democracy and Electoral Assistance (2007). http://www.oozebap.org/biblio/pdf/africa\_report\_inlay\_final.pdf
- For more on the Responsibility to Protect, see <a href="http://www.responsibilitytoprotect.org/">http://www.responsibilitytoprotect.org/</a>
- The phrase "Jua Kali" is Kiswahili for "hot sun" in reference to the fact that most of those employed in the informal small and micro-enterprises work out in the open.
- See Robinson, Daron and James Acemogolu, Why Nations Fail: The Origins of Power, Prosperity, and Poverty (New York: Crown Business, 2012).
- Daniel Branch, Defeating Mau Mau, Creating Kenya: Counterinsurgency, Civil War, and Decolonization (Cambridge: Cambridge University Press, 2009).
- Daniel Branch, Kenya, Between Hope and Despair, 1963–2011 (New Haven: Yale University Press, 2011).
- The Kenya National Dialogue and Reconciliation Accord was signed by Mwai Kibaki, President, and Raila Odinga, Prime Minister, in the presence of Kofi Annan, the lead negotiator representing the AU Panel of Eminent Personalities. See http:// www.kndr.co.ke/downloads/THE-KENYA-NATIONAL-DIALOGUE-AND-RECONCILIATION.pdf
- Michela Wrong reports that 5,000 inquests sit unprocessed in the office of the Director of the Public Prosecutor from the period of electoral violence. See http://www.michelawrong.com/docs/Michela-Wrong - Kenyas-2013-elections - opinionpieces-for-the-New-York-Times-:-Herald-Tribune-blog.pdf
- James D. Long, Karuti Kanyinga, Karen E. Ferree, and Clark Gibson, "Choosing Peace Over Democracy," Journal of Democracy Volume 24, No. 3 (July 2013): p. 145. doi:10.1353/jod.2013.0048
- Duncan Miriri, "Kenyan City Fears Violence Re-Run Ahead of Tight Vote," Reuters, February 27, 2013, available at: http:// www.reuters.com/article/2013/02/27/us-kenya-elections-economy-idUSBRE91O08420130227
- Laura Guibert and Gabriel Perez-Quiros, "Measuring the Economic Cost of the 2007/08 Post-Election Violence in Kenya," https://editorialexpress.com/cgi-bin/conference/download.cgi?db\_name=CSAE2013&paper\_id=75
- Joshua Masinde, "Investors Take a Wait-and-See Approach Ahead of Elections," Daily Nation, March 13, 2013, http://www. nation.co.ke/business/news/Investors+take+a+wait+and+see+approach+ahead+of+elections/-/1006/1709294/-/hygaarz/-/index.html
- Data and graph from IndexMundi, http://www.indexmundi.com/facts/kenya/foreign-direct-investment
- Christopher Ksoll, Rocco Machiavello, and Ameet Morjaria, "Guns and Roses: The Impact of the Post-Election Violence on Flower-Exporting Firms," University of Oxford, Department of Economics, CSAE WPS/2009-06 (2009) http://www.csae. ox.ac.uk/workingpapers/pdfs/2009-06text.pdf
- "Kenya's Flower Industry: Roses are Red," The Economist, February 7, 2008; http://www.economist.com/node/10657231
- Andrew Muhammad, Anna D'Souza, and William A. Amponsah, "Violence, Political Instability, and International Trade: Evidence from Kenya's Cut Flower Sector," (Presented at the Agricultural and Applied Economics Association 2011 Annual Meeting, Pittsburgh, Pennsylvania, July 24-26, 2011). doi:10.2139/ssrn.1961207

- <sup>24.</sup> "Kenya's Flower Industry," supra note 22.
- <sup>25.</sup> Hereward Holland, "Post-Poll Violence Halves Kenya Q1 Tourism Revenues," Reuters, May 2, 2008, <a href="http://www.reuters.com/article/2008/05/02/idUSL02261502">http://www.reuters.com/article/2008/05/02/idUSL02261502</a>
- See Pascaline Dupas and Jonathan Robinson, "Savings Constraints and Microenterprise Development: Evidence from a Field Experiment in Kenya," March 11, 2012, <a href="http://www.econ.ucla.edu/pdupas/SavingsConstraints.pdf">http://www.econ.ucla.edu/pdupas/SavingsConstraints.pdf</a>
- 27. Information from Sisi ni Amani provided at the discussion "Why Were Kenya's 2013 Elections Peaceful?" at the US Institute of Peace, May 21, 2013.
- <sup>28.</sup> See Joseph Ndonga's "Reformed Judiciary to Handle Disputes," a letter to the editor of *the Daily Nation* on the eve of the elections, February 9, 2013: <a href="http://www.nation.co.ke/oped/Letters/Reformed-judiciary-to-handle-disputes/-/440806/1689470/-/wpuv2f/-/index.html">http://www.nation.co.ke/oped/Letters/Reformed-judiciary-to-handle-disputes/-/440806/1689470/-/wpuv2f/-/index.html</a>
- <sup>29.</sup> "Kenya After the Elections," International Crisis Group Africa Briefing No. 94, May 15, 2013: <a href="http://www.crisisgroup.org/~/media/Files/africa/horn-of-africa/kenya/b094-kenya-after-the-elections.pdf">http://www.crisisgroup.org/~/media/Files/africa/horn-of-africa/kenya/b094-kenya-after-the-elections.pdf</a>
- 30. A recent Nation Media opinion piece portrays the notion that during the campaigns, the Jubilee Alliance galvanized its support base using the ICC charges against its flag-bearers. See Macharia Gaitho, "A Year Later, the Jubilee Leadership Must Learn to Accept and Move On," *Daily Nation*, April 11, 2014, <a href="http://www.nation.co.ke/oped/Opinion/-Jubilee-leadership-must-learn-to-accept-and-move-on-/-/440808/2275662/-/oa1wo7/-/index.html">http://www.nation.co.ke/oped/Opinion/-Jubilee-leadership-must-learn-to-accept-and-move-on-/-/440808/2275662/-/oa1wo7/-/index.html</a>
- An exit poll conducted by US academics argues that the winning presidential threshold was allegedly not met and that there was no winner in the first round of presidential voting; see <a href="http://www.the-star.co.ke/news/article-154815/uhuru-didnt-get-50-2013-us-academics">http://www.the-star.co.ke/news/article-154815/uhuru-didnt-get-50-2013-us-academics</a>. Also see James Long, Karen Ferree, and Clark Gibson, "Voting Behavior and Electoral Irregularities in Kenya's 2013 Election," *Journal of East African Studies* Volume 8 Issue 1 (2014): <a href="doi:10.1080/175310">doi:10.1080/175310</a> 55.2013.871182
- See Global Centre for the Responsibility to Protect, "Statement Ahead of the 4 March Elections in Kenya," February 25, 2013 <a href="http://www.globalr2p.org/media/files/statement-ahead-of-the-4-march-elections-in-kenya.pdf">http://www.globalr2p.org/media/files/statement-ahead-of-the-4-march-elections-in-kenya.pdf</a>
- 33. See the state of land-related grievances in the Report of the Truth, Justice and Reconciliation Commission, Vol. IIB: <a href="http://www.tirckenya.org/images/documents/TJRC">http://www.tirckenya.org/images/documents/TJRC</a> report Volume 2B.pdf
- Susan Mueller's article on the relationship between Kenya and the ICC discusses this matter at length; see "Kenya and the International Criminal Court: Politics, the Election, and the Law," *Journal of East African Studies* Volume 8 Issue 1 (2014): doi:10.1080/17531055.2013.874142
- <sup>35.</sup> See David Ndii's commentary on the role of devolution in enabling "distributional grievances" in "Devolution is a Success Story Despite Hitches," *Daily Nation*, April 9, 2014, <a href="http://www.nation.co.ke/news/politics/Devolution-is-a-success-story-despite-hitches/-/1064/2272742/-/5apyltz/-/index.html">http://www.nation.co.ke/news/politics/Devolution-is-a-success-story-despite-hitches/-/1064/2272742/-/5apyltz/-/index.html</a>.
- <sup>36.</sup> Mike Eldon (founder of the DEPOT), in an interview with the authors, November 2013.
- <sup>37.</sup> See the photo from this celebration that was attended by Kenya's president at http://www.kepsa.or.ke/
- 38. "The Mkenya Daima Full Report January 2012–April 2013," <a href="http://www.kepsa.or.ke/images/downloads/MKENYA\_DAIMA\_REPORT\_January\_2012\_April\_2013">http://www.kepsa.or.ke/images/downloads/MKENYA\_DAIMA\_REPORT\_January\_2012\_April\_2013</a> (Full report).pdf
- <sup>39.</sup> For more information on the Ford Foundation's initiative, see <a href="http://www.fordfoundation.org/issues/freedom-of-expression/advancing-public-service-media">http://www.fordfoundation.org/issues/freedom-of-expression/advancing-public-service-media</a>
- 40. Image from the first Presidential Roundtable of 2014 can be found at http://www.kepsa.or.ke/
- This prayer rally is documented in the Nation Media opinion piece, "Use Final Rallies to Push for Peaceful Elections," *Daily Nation,* February 28, 2013, <a href="http://www.nation.co.ke/oped/Editorial/-/440804/1707844/-/o6tewh/-/index.html">http://www.nation.co.ke/oped/Editorial/-/440804/1707844/-/o6tewh/-/index.html</a>
- Examples of this (mis)use of mobile phones prior to the elections were captured in the Tana River Sentinel Project's article "How it Works: Una Hakika," February 17, 2014, <a href="http://thesentinelproject.org/how-it-works-una-hakika/">http://thesentinelproject.org/how-it-works-una-hakika/</a>
- <sup>43.</sup> "Digital Dangers," the Institute for Human Rights and Business Case Study 1 (November 2013). <a href="http://www.ihrb.org/pdf/DD-Safaricom-Case-Study.pdf">http://www.ihrb.org/pdf/DD-Safaricom-Case-Study.pdf</a>
- supra, note 43
- 45. Charles Martin Shields captures this in his article "Inter-ethnic Cooperation Revisited: Why mobile phones can help prevent discrete events of violence, using the Kenyan case study," *Stability: International Journal of Security and Development* 2(3):58, doi:10.5334/sta.cu

- First reported by Simon Adams, "Killer SMS: Incitement and the Kenyan Elections," Huffington Post, February 26, 2013, http://www.globalr2p.org/media/files/simon-adams -killer-sms -incitement-and-the-kenyan-elections.pdf
- Also reported by Robin Okuthe, "Safaricom Donates 50 Million SMSs Towards Kenya's Peaceful Electioneering," Humanipo, February 8, 2013, http://www.humanipo.com/news/3842/Safaricom-donates-50-million-SMSs-towards-Kenyas-peaceful-electioneering/
- See Benard Amaya's letter to the editor of the Nation Newspapers, "Presidential Debates Might Herald the End of Big Tribe Syndrome in Politics," Daily Nation, February 26, 2013, http://www.nation.co.ke/oped/Letters/-/440806/1705310/-/dlcxna/-/ index.html
- "Amani" is the Kiswahili word for "peace."
- General Daniel Opande in an interview with the authors, November 27, 2013.
- These sentiments and those immediately following were stated at an interview held by the authors with members of the Committee of Elders, November 27, 2013.
- supra notes 50.
- "Baraza" is a Kiswahili word for public meeting or rally.
- An example of this is found in the ongoing conflict at the border of Kisumu and Kericho counties; see "Calm Returns to Clash-Hit Border as Six Killed in Three-Day Conflict," Daily Nation, March 11, 2014, http://www.nation.co.ke/counties/ kisumu/Kisumu-Kericho-border-clashes/-/1954182/2238330/-/15cce27z/-/index.html
- "Research on the Uninsured Market" by the Association of Kenya Insurers: http://www.akinsure.com/research-on-uninsured-market
- Elvis Ondieki, "The Charred Ghost Houses of Kisumu," Daily Nation, January 31, 2014, http://www.nation.co.ke/news/Thecharred-ghost-houses-of-Kisumu/-/1056/2168498/-/p70tpxz/-/index.html
- See the description of the policy from UAP Insurance: http://www.uapkenya.com/products/businesses/general-insurance/
- CIC Insurance's 2012 Annual Report and Financial Statements: http://cic.co.ke/wp-content/uploads/2013/07/General-business-annual-report.pdf
- See the captivating Nation Television clip for the genesis of this conflict; the Turkana and Samburu hold the view "that the central government has disowned them and that they are on their own," at: https://www.youtube.com/watch?v=sgeqvbrux2Y
- Bob Collymore (Chief Executive Officer of Safaricom), in an interview with the authors at Safaricom Headquarters, January 7, 2014.
- 61. "Wananchi" is Kiswahili for "citizen."
- Ouote from Dr. Alberta Wambua, the Director of the Gender Violence Recovery Centre at Nairobi Women's Hospital, in an interview with the authors, January 2, 2014.
- Quote from Dr. Caesar Mwangi (then Chief Executive Officer of Sasini Limited), in an interview with the authors, December 18, 2013.
- Polycarp Igathe (CEO of Vivo Energy), in an interview with the authors, December 11, 2013.
- Gitau Warigi lists these in the East African as South Africa, Malawi, Botswana, Mozambique, Namibia, Guinea-Bissau, Central Africa Republic, Algeria, Libya, Tunisia, and Mauritania: http://www.theeastafrican.co.ke/news/11-elections-in-Africathis-year-South-Africa-is-to-watch-/-/2558/2198060/-/item/2/-/7ggeu3z/-/index.html
- This sentiment was repeated in the authors' interviews with Patrick Obath and Mike Eldon, October and November 2013.
- "High Stakes: Political Violence and the 2013 Election in Kenya, "Human Rights Watch, February 8, 2013, http://www.hrw. org/reports/2013/02/07/high-stakes
- "Kenya After the Elections," International Crisis Group Africa Briefing No. 94, May 15, 2013: http://www.crisisgroup.org/~/ media/Files/africa/horn-of-africa/kenya/b094-kenya-after-the-elections.pdf
- The UN Global Compact's Ten Principles: http://www.unglobalcompact.org/abou ttheGC/TheTenPrinciples/index.html

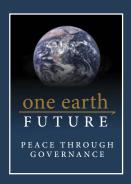
### **ACKNOWLEDGEMENTS**

This case study report covered in the preceding pages is an initiative of the One Earth Future Foundation's R2P (Responsibility to Protect) and Business Project, and the Research and Development Program. One Earth Future's R2P (Responsibility to Protect) Project focuses specifically on the role of the business sector in responding to and preventing atrocity crimes. This focus is the essence of R2P. OEF believes that it is fundamentally in the interest of the business sector to support the development and implementation of R2P. In addition to the horrific damage to humanity, at the most basic level, mass atrocities destabilize economies and businesses by damaging physical infrastructure and human capital, and reducing purchasing power and consumer markets. Ample evidence also points to the significant negative reputational impact for companies associated with mass atrocities. As demonstrated in the preceding pages, business not only has a clear incentive to prevent mass atrocities, but it also represents a largely untapped resource to do so. OEF is committing substantial capacity to identifying the incentives for business participation in the prevention and response to atrocity crimes, and what role business can play in implementing R2P in practice.

The journey culminating in the production of this report is the product of several individuals' efforts. We, the authors of this report, are extremely grateful to all of those who have contributed to making this report become a reality. At different times, individuals in and out of OEF have provided useful input and guidance as we developed the concept, carried out the research and prepared drafts of the final report. Specifically we would also like to recognize the role Kenya Private Sector Alliance, through its key officials Patrick Obath and Carole Kariuki, played in granting us access to key informants in Kenya. Mention should also be made of Dan Odhiambo and Rosemary Orlale who volunteered their contacts, enabling us to capture private-sector grass-roots press sensitizing and other business involvement in peace-building, before the last elections. Without the input of all the interviewed individuals the case study would not have been possible. Thanks, too, to Alice Nderitu of NCIC, Mike Eldon of the DEPOT, Victor Rateng of Ipsos-Synovate, Kenya and many others who took the time to proof-read our iterations of the manuscript.







ONE EARTH FUTURE FOUNDATION
525 Zang Street, Suite C
Broomfield, CO 80021 USA
Ph. +1.303.533.1715 Fax +1 303.309.0386