THE POLITICAL ECONOMY OF THE KENYAN AGRICULTURAL SECTOR IN AN ERA OF DECENTRALISATION

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Abstract

This dissertation examines Kenya's decentralisation process and the agricultural sector over the period 1963-2018. The agricultural sector's primacy to macroeconomic outcomes and political stability is the focus of analysis, due its key role in maintaining the holding power of ruling elites. Decentralisation theory is supplemented by political settlement theory to assist in providing insights into understanding how the expected theoretical benefits of decentralisation are formally and/or informally modified by groups as a reflection of actual power in society. The research determined that the early 2000s presented an opportunity for critical institutional change. The 2003-2013 decade altered the framework of power at national and within the new subnational units. A new constitutional dispensation in 2010, created a thoroughgoing decentralisation process, which created new rents, rent-seeking outcomes, and patronage. The effect of decentralisation in agricultural service delivery was analysed to understand the extent decentralisation would affect theoretical expected outcomes.

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List of Abbreviations & Acronyms

ADP	Annual Development Plan
AFA	Agricultural Food Authority
AFFA	Agriculture, Food and Fisheries Authority
AIE	Authority-to-Incur-Expenditure
ALFFA	Agricultural, Livestock, Food and Fisheries Authority
ARD	Agricultural Rural Development
ARUD	Agricultural Rural and Urban Development
ASAL	Arid and Semi-Arid Land
ASCU	Agricultural Sector Coordination Unit
ASDS	Agricultural Sector Development Strategy
ASGTS	Agricultural Sector Growth and Transformation Strategy
ATC	Agricultural Training Centres
ATO	Agricultural Transformation Office
BBI	Building Bridges Initiative
CAADP	Comprehensive African Agricultural Development Programme
CAO	Chief Administrative Officer
CBROB	County Budget Review and Outlook Paper
CC	County Commissioners
CDA	County Director of Agriculture
CDF	Commodity Development Fund
CEC	County Executive Minister
CF	Commodity Fund
CFSP	County Fiscal Strategy Paper
CGA	County Governments Act 2012
CIDP	County Integrated Development Plan
CO	County Officer
CoG	Council of Governors

CORD	Coalition for Reforms and Democracy
CRA	Commission on Revenue Allocation
CRF	Coffee Research Foundation
DA	District Assembly
DADC	District Agricultural Development Committees
DACF	District Assemblies Common Fund
DC	District Commissioner
DCE	District Chief Executive
DDC	District Development Committee
DFS	District Focus Strategy
DFRD	District Focus for Rural Development
DO	District Officer
DP	Democratic Party
DPP	Director of Public Prosecution
DSC	District Service Commission
ICC	International Criminal Court
IMF	International Monetary Fund
IPAC	Inter-Party Advisory Committee
EACC	Ethics and Anti-Corruption Committee
ERS	Economic Recovery Strategy for Wealth and Employment Creation
FAO	The Food and Agricultural Organisation
FORD	Forum for the Restoration of Democracy
GDP	Gross Domestic Product
GPT	Graduated Personal Tax
GEMA	Agĩkũyũ, Embu and Meru Association
HRS	Household Responsibility System
IGFT	Inter-governmental Fiscal Transfers
IMF	International Monetary Fund
KADU	Kenyan African Democratic Unity party

KALR	Kenya Agricultural and Livestock Research Organisation
KANU	Kenya African National Union
KEPHIS	Kenya Plant and Health Inspectorate
KESGAR	Kenya Sugar Growers Association
KIPPRA	The Kenya Institute for Public Policy Research and Analysis
KPCU	Kenya Planters Co-operative Union
KPU	Kenya People's Union
KDB	Kenya Dairy Board
KCC	Kenya Cooperative Creameries
KENAFF	The Kenyan National Farmers Federation
KGGCU	Kenya Grain Growers Cooperative Union
KMC	Kenya Meat Commission
KNTC	Kenya National Trading Corporation
KPU	Kenya People's Union
KPCU	Kenya Planters Cooperative Union
KRA	Kenya Revenue Authority
KSB	Kenya Sugar Board
KSH	Kenya Shilling
KTDA	Kenya Tea Development Authority
ODM	Orange Democratic Movement
OP	Office of the President
NA	National Administration
NALEP	National Agricultural Livestock Extension Program
NAK	National Alliance Party of Kenya
NARC	National Rainbow Coalition
NCPB	National Cereal and Produce Board
NDC	National Democratic Congress Party
New KCC	New Kenya Cooperative Creameries
NG-CDF	National Government Constituency Development Fund

NGO	Non-Governmental Organisation
NPP	New Patriotic Party
NRA	National Resistance Army
NRM	National Resistance Movement
LDP	Liberal Democratic Party
MAU MAU	Land for Freedom Army
MCA	Member of the County Assembly
MMDA	Municipal and District Assembly
MoALF	Ministry of Agriculture, Livestock and Fisheries
MOALFI	Ministry of Agriculture, Livestock, Fisheries, and Irrigation
MoLPP	Ministry of Lands and Physical Planning
MP	Member of Parliament
MRIs	Maximum Residual Levels
MTPs	Medium Term Plans
LDP	Liberal Democratic Party
NAK	National Alliance Party of Kenya
NASA	National Super Alliance
NCIC	National Cohesion & Integration Commission
NDC	National Democratic Congress
NGOs	Non-Governmental Organisations
NLC	National Land Commission
NARC	National Alliance Rainbow Coalition Government
New KCC	New Kenya Cooperative Creameries
NCPB	National Cereal and Produce Board
NPP	New Patriotic Party
NRC	National Redemption Council
NRM	National Resistance Movement
ODM	Orange Democratic Movement
OGIS	Outgrower Institutions

PA	Provincial Administration
PASGR	Partnership for African Social and Governance Research
PC	Provincial Commissioner
PfMA	Public Finance and Management Act
PNDC	Provisional National Defence Council
PNU	Party of National Unity
PS	Principle Secretary
RCC	Reginal Coordinating Council
RDC	Resident District Commissioner
SAGAs	Semi-Autonomous Government Agencies
SCAO	Sub National Agricultural Officer
SDF	Sugar Development Fund
SGR	Standard Gauge Railway
SSA	Sub-Saharan Africa
SRA	Strategy for Revitalisation of Agriculture
SRDP	Special Rural Development Plan
TNA	The National Alliance
UPC	Uganda's People's Congress
URP	United Republican Party
WAKO	WAKO Draft Constitution
WDF	Ward Development Fund
WEAO	Ward Extension Agricultural Officer

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"Most people in the world are poor. If we knew the economy of being poor we would know much more of the economics that really matters. Most of the world's poor people earn a living in agriculture. If we knew the economics of agriculture, we would know much of the economics of being poor."

Theodore W. Shultz, (1979)

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La yukallifullahu nafsan illa wus'aha

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CHAPTER I

INTRODUCTION

This dissertation analysed formal institutional changes in Kenya's agricultural sector over a period of five decades. Agriculture, since independence had remained the predominant economic activity, in terms of contribution to Gross Domestic Production (GDP) and labour share. However, despite its prominence and ability to structurally transform the economy, the sector had largely received inadequate support from public institutions, especially in terms of public expenditure (The World Bank, 2019). Decentralisation in 2010 presented a wholesale institutional reconstruction of the distribution of rents, moving from a unitary, to a devolved system of governance. This dissertation sought to explore how formal institutional decentralisation would affect the agricultural sector, especially in terms of service delivery and public expenditure. The overarching theoretical framework regarding the configuration of power and institutional affects that was utilised borrowed from Mushtaq Khan's (2010), assessment which describes the distribution of organisational power in society as a political settlement. This framework argues that the distribution of organisational power has important implications for our understanding of the economic and political effects of institutions and policies (Khan, 2018a).

The debate on the normative outcomes and intermediate objectives of decentralisation are unresolved (Dickovick and Riedl, 2010). Notably, similar institutions[1] in different polities do not behave similarly, and/or carry identical net social benefits. Khan (2010), informs us that an efficient rule will not operate as expected if it does not align with powerful organisations, and if implemented, those organisations will seek to modify the rule to suit their preferences. Political settlement theory recognises the role informal institutions have in modifying the theoretical outcomes and distributive implications of formal institutions by examining the role of power within societies. The application of political settlement theory informed the decentralisation analysis, providing clearer explanations of the effect of decentralisation in the Kenyan agricultural sector by highlighting how organisational power affects our understanding of the political and economic effects of institutions (Khan, 2018a).

The dissertation examines the ethno-geographical structure of Kenyan groups and the commodities they control, to determine why different commodities have had disparate outcomes in the sector. To achieve this national polices and executive interests in the sector were examined pre-and-post devolution. Overall, what was being sought, was to uncover the extent to which Kenya's decentralisation, which we argue is thoroughgoing, would emphasise the interests of powerful groups, or be pro-poor, and what were the implications for the agricultural sector.

[1] Which are the rules that define both what agents and organisations are allowed to do and the rules that describe what they do

Decentralisation in Africa

Since independence, Kenya has grappled with its formal distribution of power in varying ways. Decentralisation has been one of the key recurring features in rationalising diverse interests within Kenya's competitive multi-ethnic environment. To maintain power, ruling coalitions have distributed benefits towards institutions that maintained their holding power,[2] through formal rent[3] transfers, and informal patronage.

Throughout the modern history of the nation, agriculture has persisted as key source of rents and rent-seeking.[4] Kenya has remained a largely rural society with the agricultural sector's importance to poverty reduction and economic development being as pertinent today as it was at independence. Markedly, decentralisation in Africa has not brought about the expected economic and political outcomes (Cabral, 2011). However, in 2010, Kenya's decentralisation process provided a new narrative, set on a genesis of pluralistic political representation in the form of, a new constitution which reconfigured the formal institutional framework that had existed. This dissertation seeks to analyse how decentralisation has affected Kenya's agricultural sector and the outcomes therefrom.

This dissertation build's on Steiman (2004), understanding of decentralisation which states, "in all its variants, decentralization is about a re-negotiation of the institutions and social arrangements through which power is exercised in different forms. It is concerned with the distribution of power, resources, and administrative capacities through different territorial units of a government or local groups", (Adams and Taabazuing, 2015, p. 92 cite Steiman, 2004). We are particularly interested in two dimensions of the distribution of power: between the central elite and local elites at subnational level; and within subnational administrative units.

Decentralisation can be considered to have three broad typologies: political; fiscal; and administrative. The segregation of the typologies has provided theorists like Falleti (2005), with the opportunity to develop a form of hierarchical preference. Sequential theory draws on elements of path dependence considering the likely trajectory of decentralisation seeking to highlight the reasons around national and subnational decentralisation preferences (Awortwi, 2011). It highlights that decentralisation

[2] "Holding power is in turn a function of a number of economic, political and other characteristics of organizations. Holding power is *partly* based on economic power, because the ability to hold out in a conflict can be aided by the ability of an organization to spend money to protect its interests. But holding power is also based on the political ability of an organization to organize collective action: to mobilize its supporters to absorb and inflict costs during conflicts, to mobilize ideologies to consolidate and keep members committed and to create links with other organizations that enhance its holding power" (Khan, 2011, p. 23).

[3] The term 'rent' in this dissertation will refer to a broader set of income flow that is usually considered in neoclassical models (as incomes higher than the minimum a person would have accepted, the minimum being usually defined as the income in his or her next-best opportunity), despite being consistent with neoclassical understanding of rents. Rents are considered to be specific incomes that are associated with particular rights and institutions: the best way to identify a rent is an incremental income associated with a specific incremental institutional change or change in rights (Khan and Sundaram, 2000).

[4] "Rent-seeking is the expenditure of resources and effort in creating, maintaining, or transferring rents. These expenditures can be legal, as with most forms of lobbying, queuing, or contributions to political parties. But they can also be illegal, as in the case of bribes, illegal political contributions, expenditures on private mafias, and so on. The processes are of tremendous significance because the resources they use up are a *social cost*, and they determine the *types* of rents which are created and maintained in a particular society (Khan, 2000, p. 70).

operates within a political space with competing interests. According to sequential theory, if a national government is in the process of divesting power away from the center, it is highly likely that it will first delegate operations, prior to relinquishing financial resources. Finally, the vesting of political authority is the least desirable form of decentralisation, as it provides subnational units with the authority to determine policy and spending outside the control of the national government's jurisdiction (Awortwi, 2011). These preferences can be expressed as A(administrative)>F(fiscal)>P(political). By contrast, subnational inclinations in are in converse P>F>A (Falleti, 2005).

There are those that believe that decentralisation will bring decision-making closer to the people, thereby incorporating local needs more effectively. In democratic contexts, it is argued that responsiveness nearly always improves (Crook and Manor, 1994; Faguet, 2012; Manor, 1999). It is stated that proximity may witness more relevant interventions and coordination around local requirements with improvements in public services and in some instances, solutions to collective action problems. This can happen when local accountability is effective (Bardhan, 1996; Binswanger, 1994). This is particularly important in lower-income countries where market failures create a higher dependence among vulnerable communities on the state (Rodriguez-Pose and Ezcurra, 2010). In converse, proximity may also lead to the capture of local resources, with greater opportunities for participation being dominated by the interests of local elites and intermediate groups (Bardhan 1996, Bardhan and Mookherjee, 2000; Mohmand and Loureiro, 2017; Ribot, 2007), especially when meetings are primarily attended by local elites and/or their representatives (Mansuri and Rao, 2013).

Oftentimes, due to competing interests the expected outcomes of decentralisation are only partially realised. Decentralisation arrangements may fail to allocate sufficient funding to subnational units, provide deconcentrated national officials with undue influence over local policy, and in some instances, be used to undermine opposition strongholds through subnational unit proliferation, which inadvertently makes units more reliant on the center (Hassan, 2016). Even in cases where lower income groups are mobilised locally, elites are likely to modify their tactics with the help of formal and informal means to maintain their control (Lund and Saito-Jensen, 2013; Sheely, 2015). In some cases this leads to recentralisation at the subnational level, which is usually exhibited by dominance of local elite interests capturing local resource allocation (Bardhan, 1996; Dickovick, 2011). The clientelist[5] nature of a majority of developing African nations has created outcomes that fail to align with advanced economies' experiences. This highlights one of the key aspects that is considered, namely, in the creation of institutions[6], if the distribution of benefits is unacceptable to powerful organisations,

[5] "In general, clientelism is an umbrella term for different practices that involve the targeted allocation of goods and services in exchange for political support. Clientelist goods can be either personalized goods that only benefit individuals (like school fees, food, or grants to start a business) or club goods targeted at particular groups (like scholarship schemes, community toilets, or roofing for a school). Here we use the term patronage to describe a distinct form of clientelism where public resources, in particular public jobs, are exchanged," (D'Arcy and Cornell, 2016:5-6).

[6] Institutions are 'rules' that define both what agents and organizations are allowed to do and the 'rules' that describe what they actually do (Khan, 2000).

then the institution will likely be modified formally or informally to achieve an acceptable distribution of benefits (Khan, 2011).

Overall there is limited evidence available on the impact of decentralisation on service delivery in Africa (Cabral, 2011; Treisman, 2004). The results on the effect of decentralisation are at best ambiguous. Dafflon, (2013, p. 17) astutely captures the debate on decentralisation stating, "it would thus be an oversimplification to think that decentralised institutions are organised on the basis of rational economic criteria. The web of vertical and horizontal relationships also accommodates a country's historical development and its sociocultural and ethnodemographic dimensions…herein lie the singularity of each country and the stumbling blocks to implementing decentralisation".

Oyugi, (2000), noted that in the early 2000s African decentralisation had not achieved the democratization and the intended enhanced service delivery that was expected. However, arguably in 2010, a shift in the landscape of decentralisation in Africa occurred. In Kenya, the constitution formally achieved a holistic realignment of political, fiscal, and administrative power in a non-sequential manner unlike in other contemporaries on the continent, where there are usually incremental changes over time (Kobia and Bagaka, 2014). The new constitution created two tiers of government: a national; and 47 elected county governments. The devolution that was unprecedented to the region, was also unique in its genesis, as a collective inclusive political process.

Kenya's Decentralisation

What makes Kenya's decentralisation process unique is its genesis at independence, which failed to be actualized, only to take center stage after the 2007/8 post-election violence. Decentralisation was sought to ensure stability on the basis that there would be a distribution of benefits that was suitable for all the powerful ethnic groups. Stability, theoretically, is a possible benefit of decentralisation. However, it is notable that where there are multiple groups in a subnational unit with significant division along ethnicity, clan, and/or religious differences, there might be a polarizing effect as smaller groups are dominated (Ahmad and Talib, 2011).

Kenya's ethnic diversity has played a critical role in determining how power is organised between groups. To a large extent, ethnicity has historically been a means in determining political support, the formation of patron-client relationships and the distribution of rents from the center (Shilaho, 2018). Tribal difference and rivalries preceded colonial history; yet, it was certainly recast and emphasised by the colonial administration (Kitching, 1980).

Decentralisation remained at the heart of Kenyan politics as it dealt with the distribution of benefits from the center to subnational units. Independence did not mean equality. One of the legacies of colonialism was the hardening of lines between tribes. Prior to independence in 1963 and beyond, there was a genuine concern that if numerically powerful tribes also tightly controlled the rent transfers, smaller less powerful tribes would fail to reap the benefits of independence (Kitching, 1980). It was therefore, in the interest of smaller tribes and those that presumed not to dominate power, to

maintain the 1963 constitution which included aspects of regionalism.[7] Preceding this, the Regional Boundaries Commission in 1961 recognised that it was desirable to provide various tribes with their spheres of influence, to minimize conflicts due to resettlement, by providing various tribes their own 'space' without fear of being sublimated into larger groups (Harbeson, 1973).

At independence, two dominant factions regarding the role of decentralisation emerged: Jomo Kenyatta represented the Kenyan African National Union (KANU), which preferred a unitary approach; and the opposing Kenyan African Democratic Unity Party (KADU), which promoted *majimbo*[8] (the Swahili word for regions)(Gupta, 1981). This tension was arguably centred around the fear that Kenya's ethnic dispensation would lead to a capture of rents at the center by dominant tribes at the expense of smaller communities. In any case, by the end of the 1960s, KANU had extinguished any notion of decentralisation from the constitution: the 1964 Constitution of Kenya (Amendment) Act no. 38 repealed fiscal decentralisation by not permitting regions to levy independent revenue, making them fully dependent on grants for the central government. The Constitution of Kenya (Amendment) Act no.18 of 1966 withdrew the Parliament's emergency powers and vested them in the executive exclusively. This meant that the president was endowed with the power to order detention without trial. The Constitution of Kenya (Amendment) Act no.40 of 1966 abolished the Senate, establishing a unicameral legislature, which had the effect of merging the Senate with the National Assembly. The Constitution of Kenya (Amendment) Act no. 16 of 1968 removed the last vestiges of *majimbo,* by abolishing Provincial Councils, repealing all past laws on Regional Assemblies, and erasing all references to provincial and district boundaries. Finally, the Constitution Amendment Act no. 45 of 1968 provided that the President would be elected through a General Election, as opposed to an election by the National Assembly. It was during Kenyatta's tenure (1963-1978) that Kenya set aside decentralisation, centring power and resources around the executive.

Daniel Toroitich arap Moi's tenure (1978-2002), justified the fears around the unitary nature of the executive squandering rents at the center. By the early 2000s broad economic downturn, a milieu of corruption, failing local authorities, and the end of Moi's constitutionally mandated tenure brought forth a new political dispensation which proposed broad economic and political reforms.[9] Economic reforms were captured in the Economic Strategy for Wealth and Employment Creation (ERS 2003-2007), whereas politically, a constitutional review on the nature of Kenya's decentralisation framework was the central political issue. The failure of an acceptable power sharing arrangement was considered

[7] The constitution that protected colonial property rights, also upheld regionalism. KANU had accepted the provisions in order to avoid a delay in attaining independence. "The establishment of regionalism provided the sharing of power between center and provinces called regions. It had a twofold purpose: (1) to ensure protection of the minority group from any abuse of power by the Kikuyu Luo and Wakambas; (2) to enable the minority tribes to participate in the process of government…"(Gupta, 1981, p. 167)

[8] "The Swahili word *majimbo* (singular *jimbo)*…was first associated with a federal system of government in 1961…[it] denotes a federal system and the advocacy demanding varying forms of federalism, including regionalism and devolution, during the 1940s and 1950s" (Maxon, 2017, p. 1)

[9] "The most notable were the Local Authority Transfer Fund (1998), the Constituency Development Fund (2003), the Rural Electrification Fund (2006), and the Road Maintenance Levy Fund (2007). But despite these efforts to address inequality in resource distribution, overall spending by the local governments amounted to only about 1 percent of GDP by the late 2000s" (Hobdari et al., 2018, p. 31).

central to the reforms, which envisioned decentralisation as key means to achieving lasting political cohesion.

Due to contestation around the formal framework of decentralisation, by 2005, a referendum rejecting the proposed government constitution, which it was argued, failed to decentralise the state within a locus acceptable to a majority of powerful elites, contributed to an environment which mimicked the 1960s. Generally, there were groups that supported the draft constitution, which predominantly had been, or would be, the beneficiaries of a unitary government, whereas groups that had historically been marginalised by centralisation opposed what they considered merely to be a cosmetic alteration of the status-quo. This critical juncture led to the split of the National Rainbow Coalition (NARC), resulting in the birth of the Orange Democratic Movement (ODM), which established a platform for a competitive election in 2007. The success of the ODM's constitutional referendum placed Raila Odinga, the head of the party, in a favourable electoral position. However, ODM's electoral defeat, which was contested on basis of accusations relating to electoral fraud by Mwai Kibaki, the then-incumbent, led to an outbreak of violence, highlighting the fragility of the unitary framework. The results from the electoral conflict of 2007/08 created a dispensation, where a majority of the relevant political actors in Kenya were compelled to negotiate Kenya's future institutional framework. This representative approach to Kenya's decentralisation is unique, breaking away from regional contemporaries, and staying grounded in the past, by redressing how ethnic communities would be represented and power distributed.

Three dominant narratives in assessing Kenya's devolution process

There are three main narratives that have emerged on Kenyan devolution. The first contends that devolution in Kenya has shifted patronage and corruption downstream to the counties without significant changes in voters demands towards service delivery and public goods (D'Arcy and Cornell, 2016; Gathii and Otieno, 2018; Sheely, 2015). This narrative highlights that there has also been a form of recentralisation within the counties among local elites and county officials, especially in regard to financial management, which has been dominated by county executives (Tsofa et al., 2017).

The second narrative focuses on the circumstances that led to the promulgation of the new constitution in 2010, namely national stability (Hope, 2014; Kanyinga and Walker, 2013). One of the theoretical expected outcomes of a decentralisation process, as mentioned above, is the possibility of enhanced stability (Dickovick, 2014; Dickovick and Riedl, 2010). Post-election violence in 2007/8 and the ensuing calls for political reform played a critical role in establishing an environment, where key stakeholders were compelled to compromise. Devolution - in this narrative - was largely considered as a means to take pressure away from the center, in an aim to diffuse tensions around Kenya's winner-take-all elections. However, there are others, who consider that local stability may have been affected due to the reallocation of resources that imbues subnational units with the responsibility for sectors like land governance, which are likely to be captured by local elites, creating local tension in some cases (Boone et al., 2018).

The third narrative highlights the relative success of devolution in creating a new paradigm which has introduced vertical checks and balances between the national and subnational units, and within the

subnational units at the county executive and legislature (Cheeseman et al., 2016; Dyzenhaus, 2018; Gathii and Otieno, 2018; Kanyinga, 2016). This approach grasps the limitation of decentralisation within a clientelist political settlement which is identifiable "when significant holding power is based on sources *outside* the incomes generated by formal institutions" (Khan, 2010, p. 53). It is, however, the competition for power at the subnational level, the role of governors especially, as the defenders of the process against national institutions, and the political competition within counties that has created a robust system of checks and balances:

> "not foreseen during the constitutional negotiations was just how heated the political battles between county officials would become once they had been elected. Even governors that won their seats convincingly have not enjoyed an easy ride. Instead, different sets of county-level actors have teamed up against each other, with senators seeking to eat into the resources earmarked for governors, MPs struggling to retain their profile, and MCAs attempting to enhance their own positions by using their role as legislative veto players to leverage demands for greater influence"(Cheeseman et al., 2016, p. 17).

The analysis adopted by this dissertation incorporates aspects of all these propositions. The approach recognises the incentives of subnational actors in defending the gains of decentralisation, and that rents and corruption have shifted, creating new distributive channels that hitherto had not existed prior to 2010 (Gathii and Otieno, 2018). The extent to which rent-seeking occurs requires further analysis, but that is not to state that substantial rents, especially in the agricultural sector, are still not controlled by the center. Moreover, the role of political stability in creating the overall framework that was chosen to balance tribal and regional interests is considered to be the raison d'être of the decentralisation process. Finally, the approach recognises that the institutional framework has created substantial vertical checks and balances, which potentially play a positive role in balancing the power of national actors (vertical downwards), within counties, between governors and the local legislature, and voters, who overwhelmingly replaced the previous elected officials in the 2017 election (Chege, 2018). This dissertation focuses on and critically engages with the results of these processes.

Decentralisation formally altered the vertical division of sectoral operations in health, agriculture, county transport, and water management *inter alia* (The Government of the Republic of Kenya, 2010 4th Sch. Part II). Generally, counties are responsible for the personnel engaged in these fields, whereas the national government provides policy guidance and standard setting in conjunction with international stipulations. In the health and agricultural sectors service provisions, ownership of health facilities, former institutions, and parastatals were transferred, with the respective ministries maintaining control over policy direction, with counties in charge of designing their own governance structures (Nyikuri et al., 2017a).

According to most of the current literature, the benefits of decentralisation have been relatively weak, with data suggesting that significant improvements in services have yet to materialise in education (Hausken and Ncube, 2018) and health (Mbote et al., 2017; McCollum et al., 2018; Mills et al., 1990; Nyikuri et al., 2017a, 2017b). A majority of research on Kenyan decentralisation has noted that the limited time that devolution has been implemented (since 2013) and the pace at which it has taken place may have negatively impacted findings: "the rapidity of the process…combined with limited

technical capacity and guidance has meant that decision-making and prioritization have been captured and distorted for political and power interests" (McCollum et al., 2018, p. 729).

A correlative pattern of outcomes in health is witnessed in the water sector. Avidar (2018, p. 337), found that decentralisation in the sector was "not yet necessarily positive" despite legislative interventions such as the Water Act 2016 providing a framework of cooperation. Additionally, Mwihaki (2018), noted that the formal legislative accommodation of decentralisation has been insufficient in creating positive service delivery outcomes. However, this is not to ignore the opportunity for subnational prioritisation in programs that local governments may initiate creating the potential for enhanced community involvement and benefits (Tsofa et al., 2017; Wafula and Odula, 2018).

An example of a positive decentralisation story features Governor of Makueni, Kivutha Kibwana, who since 2013 managed to provide residents with universal health care and establish mango and milk processing plants (the latter markets its product as a Makueni Fresh milk brand). This demonstrates the possibility for positive benefits to be derived locally that did not exist prior to 2013 (Boyani, 2018; Kenya Today, 2018). It is recognised that Kibwana is an outlier. Nonetheless, two things about his successes are key: the potential for local development programs to have a positive impact on local communities; and the autonomy subnational units have in selecting development programs, which are a substantial share of county expenditure, as will be discussed in more detail in Chapter IV. Due to the lack of literature on this rich vein of Kenya's experience of decentralisation, this dissertation sought to examine the outcomes that have resulted from the 2010 constitutional arrangement.

Kenya's Agricultural Sector and the Struggle for Agricultural Policy Reform

The agricultural sector remains as important to the Kenyan economy in terms of labour share today as it was at independence in 1963. In 1960, the agricultural share of GDP was 38.4%. By 2018, it was 34.6%, contributing 65% to exports earnings, primarily from the crop sector, while contributing 57.8% to total employment in 2017(Ministry of Agriculture, Livestock, Fisheries & Irrigation, 2019; The World Bank, 2019). The agricultural sector also "indirectly contributes 27% to the GDP through linkages with manufacturing" (Gitau et al., 2009, p. 7). Historically, the agricultural sector has played a key role in creating the net benefits that have been derived by the state. It has played an integral part in the distribution of power and rents, with ethnogeography playing a critical role in patronage and productive outcomes (Bates, 1989).

An overarching outcome in the agricultural sector has been the disparate outcomes depending on the commodity. Generally, agriculture has not performed like other subsectors. A key variable that has rationalised agricultural policy arguably has been the nature of ethnicity and power in society in determining the benefits that certain groups have had access to. This was epitomised by how, historically, the executive provided various rents to groups that arguably contributed to its holding power. During Jomo Kenyatta's tenure, this was characterized by an emphasis on export-led development, with transfers primarily targeting tea and coffee in the crop sector. This form of support was beneficial to macroeconomic economic productivity and to tribes in Central province, which included Agĩkũyũ people, who were staunch Kenyatta supporters. The outcomes during Moi's tenure

(1978-2002) changed the complexion of institutions, leading to more redistribution with an emphasis on food security. As with Kenyatta, a majority of the agricultural rents were channelled to institutions and tribes that supported the executive, with the preponderance of benefits shifting to the Rift Valley. The outcome of Moi's policies were the downturn of Kenya's economy in the 1980s-1990s, as evidenced by negative or low annual GDP growth in 1992 (-0.7%) and 2002 (0.5%) and a mean of only 1.8% over the entire period (1992-2002) (The World Bank, 2019).

By 2002, declining economic prospects provided an opportunity to reform the agricultural sector under a new government. Poulton and Kanyinga (2014), offer a critical analysis of Kenya's agricultural public policy changes during the 2002-2012 period, mirroring Mwai Kibaki's tenure. This decade witnessed two grand coalition governments, two referendums, and an agricultural policy framework that began ambitiously with the Strategy for the Revitalisation of Agriculture (SRA). The SRA came at a time when the mentioned plethora of diverse interests in the coalition governments contributed to collective action problems which stalled the full implementation of the policy. The limited impact of agricultural policy in this period highlighted the importance of rents as opposed to productivity. The SRA was ambitious, it sought to streamline the sector, however, by 2008 it was replaced by the debatably watered-down Agricultural Sector Development Strategy (ASDS), which contributed to the creation of more agricultural institutions, as opposed to the streamlining the SRA had advocated.

This body of work builds on the findings of Poulton and Kanyinga (2014a), providing insights into agricultural policy changes post-2013. Basically, after a decade of agricultural public policy inertia, it highlights the events that spurred the agricultural reforms of 2013, which were largely unanticipated. The result was the creation of the Agriculture and Food Authority (AFA). We also seek to examine how decentralisation and AFA altered the sector. Going against the grain, AFA dissolved all former historical agricultural crop institutions that were responsible for rent transfers and patronage. Concurrently, decentralisation created a new hierarchy of responsibilities. This dissertation examined how this happened, and what the outcomes of the reforms were.

Figure 1 below provides an illustration of the transformation in the agricultural sector as a result of the new constitution and public policy reforms that led to the creation of AFA. The illustration is an interpretation of power, the new distribution of rents, and checks and balances due to the institutional changes that occurred in 2013. The reforms centralised the sector, moving away from the previous decentralised environment, which arguably reduced rent-seeking opportunities at the national level. Vertically, power exerted by the center in the early 2000s was decentralised with subnational units gaining further autonomy, contributing to counties' enhanced role in agricultural operations. The new framework altered national government dominance in determining rent outcomes, with the removal of former national parastatals controlled by the center, however, various checks and balances were provided. The power dynamics between the center and subnational units had thus far witnessed a consolidation of county agricultural operation in favour of counties, presenting an opportunity for the expected outcomes of decentralisation to be witnessed in the sector.

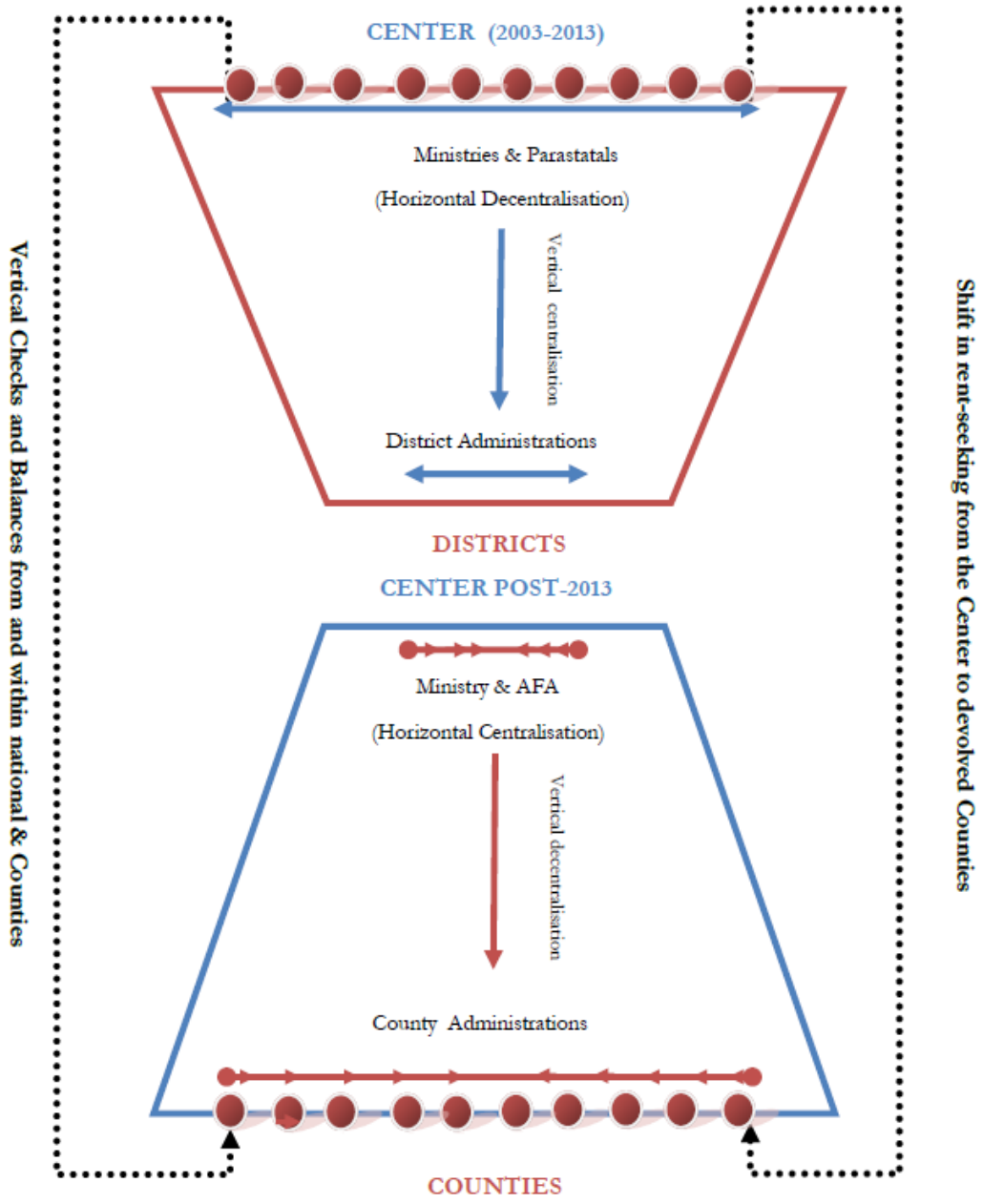

Figure 1. Vertical and Horizontal effects of Decentralisation in the Agricultural Sector
Source: Author

The historical importance of the agricultural sector has meant that significant rents and interests have coalesced around various value chains. The role of rents historically, their distribution through various formal and informal institutions, leading to accumulation, capture and growth of various agricultural commodity chains by ethnic elites and intermediate groups[10] are key concerns. Bates (1981), and Cox

[10] "…members pf the 'intermediate' or 'middle' classes play a key organizational role and leadership role…Intermediate classes are, in the main educated sections of the population, both employed and unemployed, and the richer peasants. Who sons and daughters provide new entrants into the educated classes through universities and colleges. While capitalists and landlords may, as individuals, control

(1984), recognised that elites had strong self-interest in assuring the productivity of the sector. After independence, the transfer of land rents and other benefits went to these groups primarily (Gow, 1995; Ricardo, 1973). It is contended that the legacy of the importance of agriculture has had the ability to alter the holding power of ruling elites.

Poulton and Kanyinga (2014), recognised the importance of the agricultural sector, regarding the Kenyan economy, with its potential to reduce poverty and inequality. It is the centricity of the agricultural sector that appealed to the dissertation research, as it is a key site for rents in the Kenyan context. Since the actual inception of devolution in 2013, narratives about service delivery have been developed, though there has been scant research into the effect of decentralisation on agricultural sector, hence this dissertation seeks to offer insight.

Political Settlement Theory and Rents

The dissertation draws on political settlement theory as a framework for integrating its conceptualisation on both agricultural policy (and in particular the prominent role of agricultural sector institutions in Kenya), and decentralisation. The dissertation primarily relies on Mushtaq Khan's, (2010) approach. It is acknowledged that there are multiple interpretations of political settlements (Kelsall, 2018; Walle, 2016; World Bank, 2017), but Khan's approach is deemed to provide the most helpful way of analysing the subject matter herein. Khan (2010, p.1) states that, "a political settlement emerges when the distribution of benefits supported by its institutions is consistent with the distribution of power in society, and the economic and political outcomes of these institutions are sustainable over time."

The reason for utilising political settlement theory was to ensure that the institutional analysis of decentralisation would more accurately capture the effects of power, how it alters distributive benefits and theoretical expectations. It is submitted that decentralisation literature acknowledges the variance in outcomes, but propagators of decentralisation, such as Faguet (2014), largely focus on the benefits of decentralisation, assuming that states decentralise mainly based on good governance motivation, a point that is refuted by political settlement theory. Furthermore, from the point of view of a political economic institutional setting, political settlement theory arguably addresses issues that New Institutional Economics (NIE)[11] fails to adequately engage with due to its failure to analyse the distributive implication of institutions, such as the reasons behind institutional variance.

Supplementing Decentralisation Literature with Political Settlement Theory

The benefits of decentralisation as discussed above are debatable. There has been little evidence in terms of resolution on the overall intermediate effects and outcomes of decentralisation. In spite of the decentralisation literature identifying orthodox theoretical benefits, what it has not been able to

significant resources, they are too few in number to control the political process by themselves. In contrast, the middle and lower middle classes have organizational power to dominate politics" (Khan, 2000, p. 91).

[11] Overall, the analysis of institutions was reintroduced into economies by the body of literature collectively referred to as New Institutional Economics (NIE). Institutions were defined "as rules that define the right to do certain things or make decisions of a particular type" (Khan, 2010, p. 9).

explain convincingly is the motivation for states to decentralise, and why the institutional effects of decentralisation vary so widely. Proponents like Faguet (2014) base their argument for the adoption of decentralisation on its potential merits and a desire to improve local governance. This argument highlights how decentralisation can deepen democracy, but fails to grasp the nature of power and groups that benefit from the existing institutional structure. Faguet (2014) and others recognise that there are varied institutional outcomes in the implementation of decentralisation, conceding that there are political actors and/or conditions that may obstruct the attainment. However, the failure to provide a framework that explains why differences exist and how power between groups alters the distributive implications of decentralisation is one of the key reasons that political settlement theory was applied with the objective of offering those insights.

New Institutional Economics and Political Settlement Theory

Early NIE was a reaction to neoclassical economics models of the market, which assumed that decision-making had zero transaction costs, thereby dismissing institutions as means for solving problems. Property rights existed, though only to highlight initial endowments to individuals. Notably Khan (2010) contends that "the main effect of different initial allocations of endowments in neoclassical economics is no distribution. Property rights are not necessary for reducing transaction costs (because transaction costs do not exist) so the initial allocation of property rights has no effect on the efficiency of the system" (p.13). However, transaction costs do exist and are not just positive, accounting for as much as half of economic activity even in efficient market economies (North and Wallis 1987 – cited in Khan 2010 pg. 13). The contribution of NIE highlighted the importance of transaction costs and more importantly, the economic implications that they have. It was argued that the differences in the performance of market economies may be strongly linked to the design of institutions "that reduce specific transaction costs constraining the achievement of particular social objectives, including economic growth" (Khan, 2010, p. 13).

This contribution by NIE suggested that economic efficiency would be higher if transaction costs were lowered. However, this is simplistic, as it is possible that a reduction of transaction costs may actually be damaging for growth.[12] Moreover, NIE has been unable to address why similar institutions have very different economic effects across countries, and why different institutions have been successful at resolving similar economic problems in different countries (Khan, 2010). NIE has attempted to explain such phenomena by examining enforcement capabilities in terms of missing or mismatched formal and informal institutions. Informal institutions, which are referred to as norms, values and cultures were considered as explanatory factors for varying enforcement costs of formal institutions (North 1990, 1995). However, North's (1995) examination of 'mental methods' did not fit historical evidence of path changes with deeper explanation of stagnation arguably collapsing into racism (Khan, 2011).

[12] "It is also important to distinguish between overall transaction costs and the transaction cost *per unit of transaction*. Advanced countries pay for a significant part of their aggregate transaction cost in the form of a collective enforcement of property rights and other economic rules as part of the 'rule of law'. Aggregate transaction costs (when we include the cost of enforcing the rules) may be very high, but collective provision ensures that the cost *per unit of transaction* facing individuals or organizations is relatively low. These complexities have significant implications for understanding developing country problems" (Khan, 2010, p. 14).

Acemoglu and Robinson (2012) sought to address this by analysing the role of political institutions. They claimed that politics had to be 'inclusive' not 'extractive'. From this perspective, political leaders, who are extractive, have the 'discretion' to support monopolistic, usually inefficient institutions. Moreover, they are unable to attract investment in the future due to fears that it will be captured, which results in a stagnation in the development of productive institutions and activities.

The implication of this form of NIE argument is that the emergence of efficient institutions requires states to commit *ex-ante* that they will not capture the gains from institutional change. This is achieved by institutional measures to enhance good governance, e.g. through a separation of powers. Then, to avoid any single political group from capturing resources and expropriating the benefits of investment, the idea of *inclusive political institutions* will result in efficient *inclusive economic institutions* (Acemoglu and Robinson, 2012). What they fail to address, similar to the decentralisation literature, is how the pre-commitment or inclusive political institutions become credible.

Furthermore, there is an assumption that institutional changes will assist a broad group and only be detrimental to a few monopolists where it is more likely that developmental institutional changes benefit some rich at the expense of other equally prominent groups, or benefit the rich and some intermediate class groups at the expense of other similar class groups (Khan, 2012). Arguably, a more equal distribution of power within groups does not automatically lead to the emergence of developmental institutions. Otherwise the success of countries like China or South Korea cannot be explained (Khan, 2010). Nor does the distribution of power need to be well distributed ('inclusive') for a successful productive transformation.

This highlights that NIE confuses ex-ante with ex-post distribution of power. A successful productive transformation will eventually result in more broad-based development (for a while), gradually affecting the distribution of power more equally. However, the power structure that drove the change may have not been equally ex-ante (Khan, 2010). This also belies the notion that NIE ignores non-asset-based sources of power. In developing countries, organisational capabilities are highly important due to intermediate classes, that are organisationally powerful and are able to capture rents, exercise political power, and block productive changes if political systems are 'inclusive' (Khan, 2011). This goes against the reasoning of Acemoglu and Robinson (2012)'s type models, which are based on the assumption that society is potentially productive and political inclusion increases the weight of productive interests, as most organisations in developing countries are not productive and rely on rents for their incomes.

Douglas North et al. (2009) provided the first explicit recognition of structural differences between advanced and developing countries in mainstream NIE. They recognised that Weberian models of democracy were not appropriate for understanding developing countries. They consequently developed the concept of Limited Access Orders (LAO) for developing countries, where rent distribution to powerful elites is critical for political stability and contrasted it with Open Access Order (OAO) in advanced economies. These concepts are thoroughly understood in the literature and will therefore not be analysed in too much depth here. However, the overlap between LAO and political settlements is that both recognize that rents are necessary for political stability (more so in developing

countries) and rents are managed differently in LAOs and OAOs. Still, political settlement theory takes another step to argue that rents are prevalent in OAOs as well (Khan, 2010).

North et al. (2009) recognised informal institutions as norms, trust, and culture. Under this lens, these either strengthen or weaken the enforcement of formal institutions. This is where standard analysis stops. Political settlement theory borrows from the neoclassical understanding as a starting point, which is not deemed to be wrong, as it offers many insights, but then goes further and examines the distributive implications of an institution, essentially, who benefits, as opposed to who loses if an institution is to be properly enforced. Then you have a macro-analysis, which is a political settlement analysis which is completely outside the institutional system.

Apart from the macro-analysis provided by political settlement theory, there is also the micro-analysis which assists in interpreting substantial amounts of puzzles in institutional literature. For example, why do similar institutions have such dramatic effects and dis-similar outcomes i.e. Pakistan's and South Korea's industrial policies in the 1960s (Khan, 2010).[13] Political settlement theory explains this and highlights how different institutional and policy arrangements were responsible for solving similar problems differently in different countries. The application of political settlement theory assists in explaining why different designs may work and sets aside the notion that there is a single approach, or 'silver bullet' to policy innovation that is universally effective and applicable. Using this lens assisted in highlighting aspects that other theoretical frameworks do not cover.

Political Settlement theory

"By focusing on how political settlements define the enforcement costs of particular institutions, we can explain why the *same* apparently beneficial institution like industrial policy can produce excellent results in some developing countries and very poor results in others" (Khan, 2010, p. 24). Extending this, the framework assists in explaining why different institutions are observed to be effective in different countries. The most effective institutional structure varies widely across different countries depending on the underlying dynamics of power and relationships within each society (Khan, 2010). This insight guides our application to decentralisation explored in this dissertation.

Political settlements in developing nations are structurally different from most advanced economies due to the prominence of informal institutions and the institutional solutions that are sought to address market failures (Khan, 2011). Generally, formal institutions are better enforced in advanced Weberian[14] economies. Formal institutions are notably property rights, laws, contracts etc. In advanced economies formal institutions are significantly aligned to holding power, as it is the incomes that are generated by these formal institutions that contribute to the overall net benefits derived by these institutions. Well defined property rights emerge when a society collectively has the ability to pay for

[13] Generally, the industrial policy was innovated in Pakistan, then transplanted in South Korea with the assistance of western powers. Pakistan, the innovator largely failed at implementation, whereas South Korea generally, had a positive experience with less distortions than in Pakistan, due to the configuration of power therein (Khan, 2010, p. 73)

[14] New institutional economics seeks to inform policy on the processes required to assist in the transition from clientelism to a 'Weberian state'. This process considers what is required to enhance diversity of production, stability, growth of organisational capabilities during the period when property rights and corruption are present, in order to accelerate the transition. The approach precludes the *ex-ante* creation of Weberian institutions and focuses on the actual transition process (Greif and Kingston, 2011).

the enforcement of these rights, and where the most powerful organisations also desire enforcement of formal rules. Notably, even though the same formal institutions exist within a political settlement that is dominated by the interests of informal institutions, these formal institutions are likely to operate in unexpected ways, creating a dilemma for policy development experts (Behuria et al., 2017).

In developing countries, the groups that would normally be associated with being powerful, i.e. the capitalists, may be individually very wealthy, but collectively, as a share of society are insignificant. This diminishes their ability to influence politics. The dominant groups are usually a diverse array of intermediate classes, that are connected to the rich and other middle classes. These networks and the configuration of power is important in determining who has holding power, and how it is blocking particular rent management games and rent allocation games, which are themselves determinant of the direction of property right transactions that are happening in these countries (Khan, 2011).

The significant alignment of formal property rights and their enforcement in advanced economies is not mirrored in developing economies. A majority of groups in developing economies have power, which is not based on their productive capabilities or capacity to produce based on formal rights. Instead, their power is derived from organisational capacity in society. Therefore, the most powerful organisations are often not the most productive, and even the firms that are productive are not yet productive enough to survive on the basis of formal rights, without their informal network (Khan, 2012). Informal institutions will normally capture rents in rule violating ways, though rule violating does not necessarily mean criminal. This means that the way they capture rents is not by following the rules that apply to everyone else, but by following ad hoc informal rules instead that are applicable to themselves, which then keeps political stability and generates informal modifications that align the distribution of benefits with actual power in society (Khan, 2010). That is why it is essential to have a sound understanding of the role of informality when analysing realities in developing counties. The real story is the subterranean story of these networks and how they informally modify the formal rules.

The informality that is usually described in NIE by culture is not necessarily wrong. It fails, however, to provide a deeper explanation on why the cultural relativism exists, is reproduced and sustained, despite likely being socially damaging. Political settlement theory provides an answer. Informal modification of rules occurs because there are powerful organisations that do not accept the full implementation of formal rules and they can achieve this, because they have holding power. Holding power, as illustrated in *figure 5*, is "based on economic power [and] the political ability of an organization to organize collective action" (Khan, 2011, p. 23). Holding power, as will be demonstrated, is based on economic power and organisational capability. Holding power enjoys some correlation with North et al. (2009)'s appreciation of the social contract between elites and the control of violence, which arguably plays a prominent role in Kenya's compulsion to decentralise in the 1960s and early 2000s. This, however, is not to claim that there is an agreement between elites. This would be contrary to the interpretation of political settlement theory that is applied in this dissertation, and arguably to Khan's appreciation of the subject matter.

To grasp informality in developing countries, a mapping of the distribution of power (who is powerful and how) is required. This is different from an orthodox economic interpretation of class and

traditional economic interest groups. On the contrary, political settlement theory provides a configuration of power across multi-class organisations in patron-client networks, which is omitted in most political economic analysis (Khan, 2010). The theory also proposes that power is rooted in history, which is the reasons why the historical backdrop is adopted in examining the sector (Behuria et al., 2017). The definition of both rents[15] and holding power in this body of work utilizes Khan's approach, which considers rents as a much broader set of income flows than usually applied in the neoclassical economics context, but remains consistent with the paradigm. It is the appreciation that rents can be both growth enhancing and retarding, which will be applied to the research (Khan, 2000). It was for these reasons that political settlement theory was adopted as an overarching theoretical framework that assisted in the examination of the agricultural sector and decentralisation literature.

Geography, Ethnicity, Regional Champions, and Power in Kenya

Ethnicity matters in Kenya. The population consists of 10 major and 40 minor ethnic groups that are broadly distributed as shown in *figure 2*. "Kenya has a multi-ethnic society of 42 distinct tribes with strong regional identities" (Steeves, 2015, p. 458). At independence, the debate surrounding the constitutional distribution of power was a key area of contention. There was an underlying fear that the two largest tribes (Agĩkũyũ and Luo), which were already in a political alliance, would capture all the rents and supress minority tribes. *Majimbo,* which had been negotiated during the Lancaster House conference preparing the way for Kenyan independence, was considered as a means of alleviating these fears. By 1968, Kenya had a unitary government, however, the division of power amongst the ruling coalition was still arguably demarcated by tribe (Steeves, 2015).

To a large extent ethnicity has historically been a means in determining political support, the formation of patron-client relationships, significantly influenced the distribution of rents (Shilaho, 2018). Leaders of ethnic groups act as regional champions. This is a concept developed by Poulton and Kanyinga (2014), which highlights the notion that political actors due to their ethnicity are deemed to embody the interests of a group of people, in the case of Kenya, normally a tribe and/or clan. These regional champions will be supported on the assumption that there will be redistributive effects that will benefit their clients more than other groups in society. This is further amplified by weak institutional party politics. Thus, it can be argued that voting, to a large extent, is predicated on consideration of ethnicity (Bratton and Kimenyi, 2008).

Regional champions as representatives of their group are not always asset rich (though this is usually an eventual outcome), but they all have considerable organisational capabilities, which belies the basis of their political support. Consequently, the 'weighting' of ethnic groups plays a significant role in elections, with the executive requiring support from large ethnic groups who are usually galvanised by a regional champion that aims to deliver a constituency to a political party. As a result, the largest ethnic group has dominated power in democratic and non-democratic periods, with the assistance of other ethnic alliances and/or coalition partners which also politically benefit from their alignment

[15] The types of rents that are predominantly examined in this dissertation are *ex ante* transfer rents which generally contribute little towards growth and, have a disincentive effect on the affected economic activity, creating deadweight costs when publicly funded through taxation, levies *inter alia* (Khan and Sundaram, 2000).

(Maina, 2013). This has been evidenced by the fact that three of the last four presidents were Agĩkũyũ – despite Kenya's ethnic diversity.

The Agĩkũyũ, as a group, historically have enjoyed relative cohesiveness[16] in terms of political organisation. Initially, their proximity to Nairobi and location in high yielding agricultural zones led to their disenfranchisement by the colonial government, which was a leading cause around the eventual Land For Freedom Army ('Mau Mau') independence struggle that was largely led by the Agĩkũyũ people. Bates (1989) refers to geography as destiny in Kenya, as higher elevations provided more reliable rainfall, moderate temperatures, and the agroecological conditions to grow valuable cash crops productively. The Agĩkũyũ's proximity to the colonial government, the capital city, their numerical superiority, and their control over certain export commodities placed them in the most advantageous position to enhance their economic base at independence.

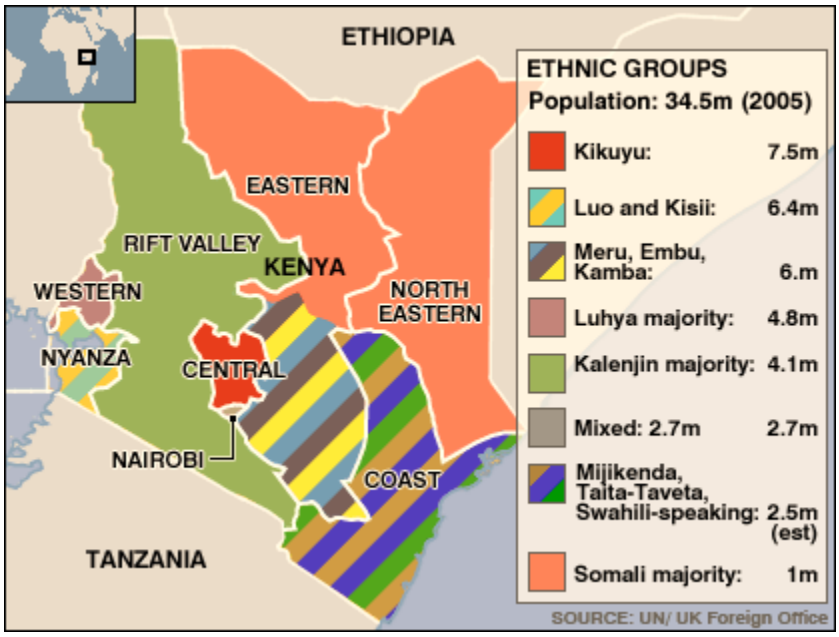

Figure 2 Historical Provinces of Kenya with 2005 Ethnic Distribution
Source: UN/UK Foreign Office (2007)

Despite numeric superiority, coalitions of some ethnic configurations are required for the aggregation of regional support. Historically this has been facilitated by agricultural policy that affects distribution to groups that support the executive through regional champions. The legacy of land and agriculture has arguably played a critical role in the overall political settlement of Kenya. Various value chains in specific regions have tended to be dominated by varying ethnic groups. This composition has witnessed agricultural policy being utilised as a significant means of distributing rents to particular

[16] There are several major Agĩkũyũ groups: "The Kiambu – smallest in number centred around Nairobi, having worked closely with the colonial government, were better educated, and had a stronger economic base than other Kikuyu. Kenyatta was [from] Kiambu; The Murang'a Kikuyu are the mother clan for the tribe as a whole…The Murang'a, located to the north of Nairobi, spearheaded much of the opposition to British rule and felt the Kiambu short-changed them on land, jobs, and political influence after independence; and the Nyeri Kikuyu, also complained of getting short shifted. Many of them believe that the Kiambu Kikuyu were responsible for the murder in 1975 of J.M. Kariuki, a popular Nyeri politician and spokesman for Kenya's have-nots whose proposed reforms threatened Kiambu economic and political interests" (Central Intelligence Agency, 1983).

groups in exchange for political support. Parastatals like the National Cereal and Produce Board (NCPB), which was created by Moi in 1980, and the former Sugar and Coffee Boards are typical examples of institutional vehicles that distributed rents to clients. Hence, this dissertation sought to combine the role of agricultural policy, political settlement theory, rents, and decentralisation in an examination of the political economy of the Kenyan agricultural sector.

Structure of Thesis

This dissertation seeks to analyse the outcomes of decentralisation in the agricultural sector within the context of the broader political settlement. In Chapter II a historical review is undertaken from 1963-to-2017 in five distinct eras which demarcate significant periods.[17] This provides the backdrop of Kenya's political settlement, the role of rents in the agricultural sector, how ethnicity and the executive have influenced outcomes therein, the institutional reasons for the disparate outcomes of various commodities, and details on how the agricultural sector has played a key role toward the distribution of benefits and holding power of ruling coalitions.

Chapter III presents a comparative analysis of decentralisation, examining the relevant debates on the subject matter by comparing Kenya's devolution against Ghana's and Uganda's experiences. The latter two were selected due to the historical sentiment which presupposed, that they, at varying times represented the most concerted attempts at decentralisation in Africa (Ndegwa, 2002). Notably, chapter III applies a decentralisation framework that is unique from chapters V and VI. This is due to the methods that were adopted and data available to conduct the analysis. Chapter III is a comparative chapter that relies on secondary data which provided the opportunity to examine Falleti's (2005), sequential theory. Using this lens, permitted an exploration of institutional preference of political, fiscal, and administrative decentralisation which highlighted the sequence and progress within the subgroups. This approach was not considered appropriate for the Chapters V and VI, which required details that were not relevant within the context of empirical data that was analysed.

Chapter IV reengages the historical timeline developed in Chapter II, analysing the contemporary institutional changes in the sector and how they have altered the structure of benefits therein, with special emphasis on the role of AFA. This chapter includes empirical data from interviews, bringing the reader closer to the institutional dispensation of the agricultural sector post-decentralisation.

Chapter V is an empirical chapter that interweaves decentralisation and normative intermediate outcomes against the findings that explore: autonomy; accountability; and capacity in the Kenyan agricultural context (Dickovick and Riedl, 2010). This framework was adopted due to decentralisation in Kenya only being in its first decade, which provided a compelling reason to focus primarily on the intermediate objectives of decentralisations, rather than the outcomes, which were more relevant at the beneficiary level. The framework was therefore split into two parts over Chapter V and VI. The former examined the intermediate objectives against the empirical data at national and county phases. Whereas the latter was concerned with the impact and outcomes of decentralisation amongst farmers.

[17] ERAs: Uhuru (1960-1970); Harambee (1970-1980); Nyayo (1980-2003); Kazi Endelea (2003-2013); and Tuko Pamoja (2013-2017). Further elaboration to be found in Chapter II

Chapter VI focuses on the outcomes of decentralisation, progressing the analysing of the previous chapter. In this chapter empirical data from focus groups provides details of their collective experience as primary producers. Chapter VI progresses from the intermediate outcomes explored in Chapter V, moving onto the expected outcomes of decentralisation: democracy; stability; development and service delivery and the extent to which they have been evidenced, if at all. The reason for the varying format was to ensure that the analysis of decentralisation was holistic, with the outcomes being explored against the experience of primary producers. This alignment of outcomes at the farmer level, provided a theoretical framework that assisted in developing a clearer understanding of the effect decentralisation had on service delivery, more so, than if the intermediate objectives had been applied Finally, chapter VII concludes the dissertation tying together the central themes: decentralisation; agricultural political economy; and political settlement theory.

Intended contribution to knowledge

The dissertation sought to contribute to knowledge in several ways: provide further understanding to the work that has been done in regard to the decentralisation process in Kenya (Avidar, 2018; Branch and Cheeseman, 2006; Cannon and Ali, 2018; Cheeseman et al., 2016; D'Arcy and Cornell, 2016; Dyzenhaus, 2018; Hausken and Ncube, 2018; Kanyinga, 2016; McCollum et al., 2018; Munya et al., 2015; Mwihaki, 2018; Nduta et al., 2017; Poulton and Kanyinga, 2014a; Steeves, 2015; Wafula and Odula, 2018). The dissertation also sought to provide a historical perspective of decentralisation highlighting its continuous role in determining the formal distribution of power in Kenya. The circular nature of decentralisation at independence, its centrality in the outbreak of violence in 2007, and role in shaping the 2010 constitution were examined from an institutional perspective that focused on the agricultural sector.

The utilisation of political settlement theory provided clear insights into institutions and power in the Kenyan agricultural context. Notably, there has been no previous body of work that has analysed the Kenyan agricultural sector with a political settlement approach, and since Poulton and Kanyinga (2014a), there is a research gap on the political economy of the agricultural sector in Kenya. Therefore, this dissertation aimed to make a novel contribution to the 2013-2018 agricultural public policy period in Kenya.

Notably, to date most of the research on Kenyan decentralisation has not addressed agriculture, with a majority analysing the effect of decentralisation on land (Boone et al., 2018), the health sector (Kilonzo et al., 2017; Mbote et al., 2017; Nyikuri et al., 2017a; Tsofa et al., 2017), and more broadly on the effect of decentralisation, especially in relation to service delivery (Wagana et al., 2016); to enhance understanding on the effect and outcomes of decentralisation in the agricultural sector in Kenya (Muriu et al., 2013; Poulton, 2010; Were, 2017); and to demonstrate how the application of political settlement theory and rents may highlight how power among groups may alter institutional outcomes especially in clientelist systems (Behuria et al., 2017; Khan, 2010).

Fieldwork Methodology

Research Objective

The research objective seeks to examine the organisation of central institutions within the agricultural sector, examining the role of rents within Kenya's political settlement. The reason behind the creation of AFA after a decade of inertia, and how it operates within Kenya's new constitutional framework. Secondly, the research sought to analyse the role of decentralisation and how it has affected the agricultural sector and expected outcomes.

Research Questions[18]

The literature demonstrates that the outcomes of decentralisation vary, with the initial analysis of devolution in Kenya providing varied sectoral outcomes. This dissertation sought to focus on agriculture due to its historical importance to the Kenyan economy, its contribution to net benefits and the potential rents available due to its productive nature, in order to address the following questions:

1. How has the agricultural sector historically contributed to rents in the Kenyan political settlement?
2. How has decentralisation affected the agricultural sector?
3. Why did the agricultural sector centralise in a period of decentralisation?
4. What form distribution of rents are witnessed at subnational level?

Case Study Research Design

The focus on the Kenyan agricultural sector through the lens of political settlement and decentralisation theory considerably shaped the methodological choices and overall research strategy. To adequately address the research questions, thick qualitative detail was deemed necessary coupled with primary quantitative data and secondary literature that would provide further support to the evidence presented. The case study research design structure accommodated the explorative qualitative research method that generated intensive detail. This design aligned with the theoretical framework and the methodology that were adopted.

A survey design was also considered, however despite the likelihood of highly relevant statistical data being generated, access to the same was also questionable. Furthermore it was noted that such a study would require greater resources than were available to the researcher, with the issues of limitation on depth from questionnaires bringing into focus its ability to address the research questions (Sumner and Tribe, 2008). Political settlement and decentralisation theory arguably benefit from quantitative data; however, they also require to be supplemented by rich detail, which explore the configuration of power that exists. Moreover, with sufficient secondary data and access to primary budgeting data, the decision to apply a case study design proved the most apt to produce credible results (Bryman, 2001).

[18] Annex I

The scope and interpretivist approach of the research design involved an institutional analysis. The strategy employed semi-structured interviews of key contacts and relevant actors in the agricultural public and private sector (with snowballing). In seeking credibility,[19] the research was conducted in Bungoma, Kiambu, Nyeri and Uasin Gishu counties, which have different dominant commodity production changes and are located in different geographical regions. This permitted the examination of their respective formal adherence to the new legislative regulations as well as the implication of new rent structures. Moreover, this approached allowed the study of how rents and their distribution along these value chains were altered, if at all, since the inception of AFA, and how decentralisation was working between the national government and within counties.

This research design also accounted for Sharp's (2007) argument on the division of research methods into four research elements rather than into qualitative and quantitative methods. These include: a sampling approach (random vs purposive); analytical techniques (statistical or sociological/anthropological); data collections methods (structured or interactive); and types of data collected (quantifiable or perceptual). In our case the sampling was purposive, the analytical techniques a combination of sociological and statistical tools, the data collection interactive, and the type of data collected mainly perceptual supported by quantifiable budget data. This approach gave greater clarity in the discussion towards variations of mixed methods and expanded on the narrow traditional dichotomy of positivist and interpretivist preferences regarding quantitative and qualitative data respectively.

Moreover, the decision to utilise the case study design was supplemented by qualitative researchers, who argue that qualitative data can play a critical role in testing theories (Bryman, 2001), although there is criticism that it is too content specific and under-representative to make statistical generalisations. The potentially reductionist, decontextualized nature of a purely quantitative approach was regarded as too simplistic (Sumner and Tribe, 2008). Therefore, as mentioned, a combination of the two approaches with a case study design was used to attain thick qualitative data with the support of quantitative data.

The research design was divided into two key research areas: semi-structured individual interviews in phase I and II and focus groups in phase III. Phases I and II of the design sought to gather information on the genesis of AFA, aiming to answer the research questions, and expand the basis of research to ensure that the relevant critical questions were addressed. This process involved interviewing key informants, private actors, researchers, NGO personnel as well as public institutional staff at national and county levels. The initial findings that were gathered in phase I allowed for an expansion on the first semi-structured interviews to include participants that could shed light on the structure and operation of the sector. To gain insights from the public sector, semi-structured interviews were utilised at Ministerial level,[20] working vertically downwards towards the relevant AFA directorates

[19] The extent that to which the findings of a study are believable

[20] Ministry of Agriculture, Livestock and Fisheries,[20] the Ministry of Water and Irrigation, the Ministry of Devolution and Planning, the AFA and newly appointed agricultural officers that are appointed by the AFA to coordinate with the County governments (within the

involved with the four selected commodities in the counties under examination, and finally county government officials, with a majority being the eleven (11) Sub-County Agricultural Officers (SCAOs) as demonstrated in *table 2*.

The second part of the research design, phase III, examined the effects on the changes in the agricultural sector in light of decentralisation, using focus groups discussions with farmers. This was critical, for it completed the vertical examination on the sector by being able to demonstrate the consequences of the institutional changes, and their effect on primary producers. Moreover, it also provided an extra depth to the data, which contributed to the hypothesis in *figure 1*, while engaging the effect of decentralisation in agricultural service delivery.

Finally, the three-part division of the research design allowed for the study to be clear in its objectives as illustrated in *figure 3*. By separating participants and levels, the research was able to disseminate information at national, county and farmer ward levels. The emphasis on qualitative research allowed for a wider spectrum of interpretation, with participants being able to comment on the questions, while being provided the forum to naturally expand on inquiries.

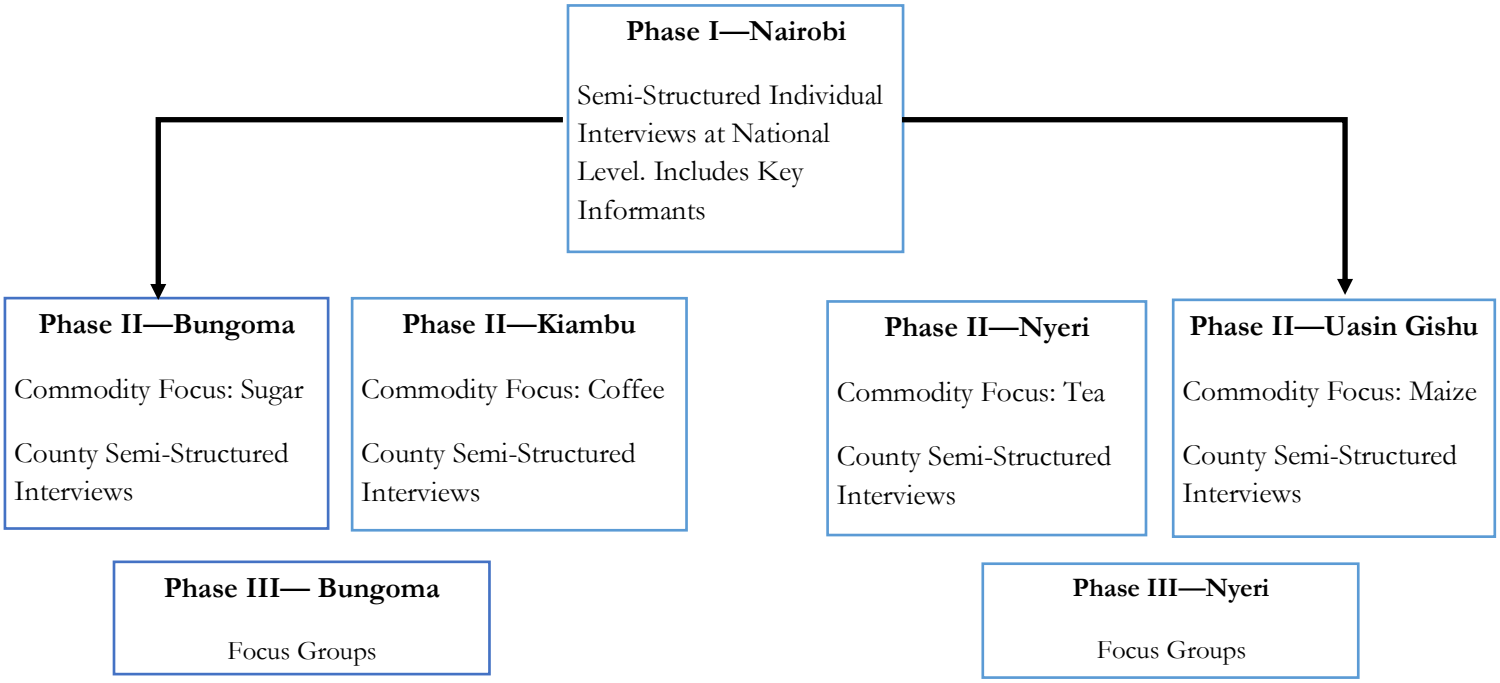

Figure 3. Three Phase Structure of PhD Fieldwork
Source: Author

4 counties that are selected). The opportunity to approach a member of the parliamentary Committee on agriculture, livestock and fisheries will also be explored.

Research Methods

The research methods and design were aimed at developing a qualitative output, due to the nature of the methods that rely heavily on semi-structured and focus group interviews. The research was split into three phases, as mentioned, which will be dealt with in greater detail below.

Phase I – Central key informant interviews with a semi-structured interface.

Adopting semi-structured interviews allowed for an in-depth investigation to occur within a schema which captures the beliefs, values, and cultural relativism of the Kenyan context. The type of information that was collected allowed for various perspectives and insights into the political economy of the Kenyan agricultural sector. The depth of data collected is difficult to capture using other research methods; therefore, semi-structured interviews provided the characteristics that were best suited for this form of investigation. Moreover, the approach due to its detail and explanatory power also enabled an opportunity to test theory (Blaikie, 2003).

The general form of the semi-structured interview provided participants the opportunity to be fluid in their approach to answering questions in the interview. Moreover, due to the lack of secondary information on AFA, the semi-structured approach allowed for more latitude to ask further questions in response to potentially significant information. Fortunately, AFA approved the research leading, to several critical interviews with senior officers around the research questions. The research method also permitted snowballing into other institutions and an expansion of the research focus to ensure that the richest picture was being captured, as demonstrated by the width of participants (see *table 2*).

Institution	Number	Indication of Rank(s)
Public Institutions	10	Agricultural Food Authority (AFA), The Commodity Fund, Kenya Agricultural Livestock Research Organisation (KALR), The Council of Governors (CoG), Kenya Agricultural Research Institute (KARI), Agricultural Information Resource Center, National Cereal and Produce Board (NCPB), National Farmers Information Service,
Ministries	4	The Ministry of Agriculture, Livestock, Fisheries & Irrigation
Universities / Research Centres	11	Tegemeo, Institute of Development Studies (IDS), Kenya Institute for Public Policy Research and Analysis (KIPPRA), Partnership for African Social and Governance Research (PASGR)
Private Sector	6	The Kenyan National Farmers Federation (KENAFF), The World Bank, GroIntelligence,

		International Budget Partnerships, Business Daily, Daily Nation, Private large-scale farmers
NGOs	9	The Food and Agricultural Organisation (FAO), Farm Concern, One Acre Fund, Farm Drive, Partnership for African Social and Governance Research (PASGR), Alliance for a Green Revolution in Africa (AGRA),
Total	40	

Table 1. Central Semi-Structured Interview Tally
Source: Author

Phase II – County semi-structured interviews

The second tranche of interviews (phase II) involved fieldwork in four (4) counties.[21] These interviews involved singular individuals, though admittedly, in several instances' county officials preferred to be accompanied by a colleague with similar expertise. The semi-structured questions asked mirrored those at the central level, with additional research questions added relating to the counties' experiences within the new dispensation around decentralisation and their particular agricultural sector.

Phase II aimed to broaden the net, to explore the role of decentralisation especially in relation to perspectives of counties, examine county functioning, and the perceptions around service delivery. This approach also provided the opportunity to gather secondary information from interviewees and to establish relationships that were relied on to achieve phase III objectives, which required the mobilisation of farmers focus groups.

The reason for the use of semi-structured interviews in the four counties was due to the diversity in the commodities and the detail and quality of data that was expected to be gathered. This approach also provided an opportunity for interviewees to share their perspective on agriculture from a county standpoint, and additionally, depending on their role in the county, provide a snapshot of their experience of how agriculture was faring under county administration. While the AFA officials in the county were also interviewed, these interviews moved away from the previous exclusive focus on AFA. However, as phase I had analysed most of the gaps, fulfilling part of the research objective, this phase sought to expand on the information that had been gathered.

The approach to meet most county staff involved a level of snowballing that begun in Phase I. Key contacts within national public institutions had connections to individuals in the counties. It was through these channels that a larger sample was accessed. Anchor interviews at the county level and AFA regional offices proved to be highly invaluable. AFA local representatives were able to provide their perspective of agriculture post-2013 and highlighted how AFA was interacting with sub national units. *Table 3* summarises the participants that were interviewed.

[21] Bungoma, Kiambu, Nyeri, and Uasin Gishu Counties.

Notably, some groups were featured more often than others. It is important to note the county hierarchy to get a clearer understanding of the composition of participants. Counties are broadly split into technical administrative staff that featured heavily in the interviews and political appointees, of which, no county executive staff (CECs)[22] agreed to, or had time for an interview, despite numerous attempts to engage them. There is also the sub-group of elected officials, of which one Member of the County Assembly (MCA) was interviewed. *Table 3* shows that political staff were underrepresented. This phenomenon of self-aggrandizement by political actors is not unusual, but it was unfortunate, as it limited the sample group. MCAs, who are voted in, regrettably, were also difficult to track down, and even though appointments were set, they managed to postpone or cancel these meetings regularly. This took away an important perspective that the research would have truly gained from, namely that of the county elected officials and their view on their role.

However, County Officers (COs), who act as Principle Secretaries (PSs) to their respective ministries, accepted interviews. This assisted in bridging the gap between technical and political staff far enough to provide an essence of how political members view their role in agriculture. The hierarchy of officers from COs downwards was as follows: County Directors of Agriculture (CDAs) who act as the key technical officers directing staff below them; followed by Sub-County Agricultural Officers (SCAOs) who are in charge of the implementation of programs and management of ward staff below them; and Ward Extension Agricultural Officer (WEAOs) who double as frontline extension officers in some cases. They are the key field implementers and individuals who engage farmers. Every group of technical staff was engaged and from their inputs a picture of agricultural service delivery in these counties was developed.

	County 1	County 2	Uasin Gishu	County 4	Total
CO	1	1	1		3
CDA	3	2	1	1	7
SCAO	2	2	5	2	11
WEAO	1	1	2	1	5
MCA			1		1
NGOs		1		1	2
Private Sector			1		1
Other	1	1	3	3	8
Total	8	8	14	8	38

Table 2. Phase II – County Semi-Structured Interview Tally
Source: Author

[22] CECs are considered the 'local' ministers of their respective docket and are politically appointed by the governor. However, they mostly were not technical.

Phase III - Focus Group Interviews

The last tranche of interviews (phase III) was conducted in two of the four counties, which had been previously visited during phase II. The methodology adopted in this final instance was a focus group approach. The more structured questions, which were posed to farmers, were derived from previous research questions and information gathered in the earlier phases to ensure continuity and maintenance of the research objective.

The focus group research methodology allowed for a discussion with a group of usually five to ten participants for a duration of one hour. The focus groups explored views on agricultural service delivery, government support pre-and-post devolution, reasons for their voting habits in the face of 'altered' service delivery if at all, *inter alia*. This approach created an environment, where farmers were able to discuss their experiences of agriculture in Kenya 'as members of a group' (Bryman, 2001, p. 501). The interviews that were conducted followed a structured format. Focus group discussions were moderated by the researcher with the assistance of a local interpreter. The process allowed for a wide sample of farmers to be reached, creating a wealth and breadth of information.

The recruitment of participants for the focus groups was research driven,[23] with critical assistance in mobilisation attributed to an international NGO[24] that had significant presence nationally. There was a concern that the participants may attribute the study to the NGO, which was dispelled at the introduction of the session and/or when necessary. The focus groups were diverse and provided a picture of the Kenyan farmer experience in Bungoma and Nyeri (*table.4)*. In Nyeri, due to the limitations of the international NGOs in local penetration, the study was also assisted by the local Ministry of Agriculture through their SCAOs. There had been an initial hesitation to engage with public actors in relation to mobilisation due to the fear of recruitment bias, compounded by the likelihood of answers by the participants that would also aim to satisfy the SCAOs perceived preference. Despite this limitation, the groups provided rich information and when bias was suspected, it only went to demonstrate the variance in farmers that are 'reached', in comparison to those that have a fleeting relationship with the state in relation to agricultural support.

	Nyeri County	Bungoma County	Total
Number of Groups	11	11	22
Of which, Ward Extension Officer (WEAO) present	5	0	5
Total Number of Participants	74	97	171

Table 3. Phase III – Focus Groups
Source: Author

[23] Research Driven Recruitment as opposed to Key Informant Recruitment, or Spontaneous Recruitment
[24] One Acre Fund. They have deep roots in rural communities working directly with national and county staff. Their clients are farmers and they specialise in microfinancing, training and logistics (https://oneacrefund.org/)

Area of Research: Counties

The four (4) counties that were picked for the research were selected on basis of their political and topographical attributes. Initially, all 47 counties were considered; however, there was a trimming process due to the limitations of time, manpower, and funding. The process aimed to ensure that certain characteristics were included in the final selection of the counties: the county should be a net producer of a key agricultural commodity; the key agricultural commodity produced in the county needed to be relevant to the agricultural political settlement of the nation; whether the commodity produced was destined for local consumption or export, as there is a distinct variance in productivity and institutional design in relation to these different commodities; the significance of revenue generated and rents that the commodity had historically attracted was another variable; and the topography of Kenya is historically linked to where crops were grown and the tribes that benefited from that history. This means that certain tribes have benefited from the production of certain commodities and this benefit has varied depending on the commodity. Hence, ethnicity and commodity were considered in selection.

Ethnicity in Kenya plays a significant role in the determination of voting habits, possibly affecting service delivery due to patron-client relationships (Bratton and Kimenyi, 2008). Stronghold[25] and swing counties in terms of historical voting patterns were also considered. Sub-sectors in the agricultural sector, such as horticulture, were excluded in spite of their growing significance[26] due to the types of large scale farmers involved and limited oversight from government, save for licensing and ensuring conformity to various international standards. These measures were considered in the overall historical political dispensation of the nation. What resulted was the selection of Bungoma, Kiambu, Nyeri and Uasin Gishu counties (see *table 4)*.

[25] 'Core & Swing' are determined by the following definition: Core refers to a County (and previously in 2007/8 a province/constituency that voted periodically over 2007 & 2012 and later in 2017 for largely the same ethnic alliance. It is notable that the current Jubilee Alliance, Agĩkũyũ (Kenyatta) and Kalenjin (Ruto) did not exist in 2007. There was a notable shift following the ICC's charges against Uhuru Kenyatta and William Ruto. The targeting of the two current incumbents led to a tentative realignment against Raila Odinga's CORD coalition. Core counties thereby refer to counties that are in primarily Agĩkũyũ and Luo heartlands that have not shifted their voting pattern since 2007 translating into an expected windfall in voting for a candidate based upon tribal alliances; and Swing County is a county that has at least shifted its voting pattern once since the 2007 Election. This may be considered a battle-ground county as local ethnic elites are expected to be corralled with rents to support either of the two major grand coalitions.

[26] Horticulture to overtake Tea in terms of Foreign earnings by 2019/20 - Ksh 15 Billion.

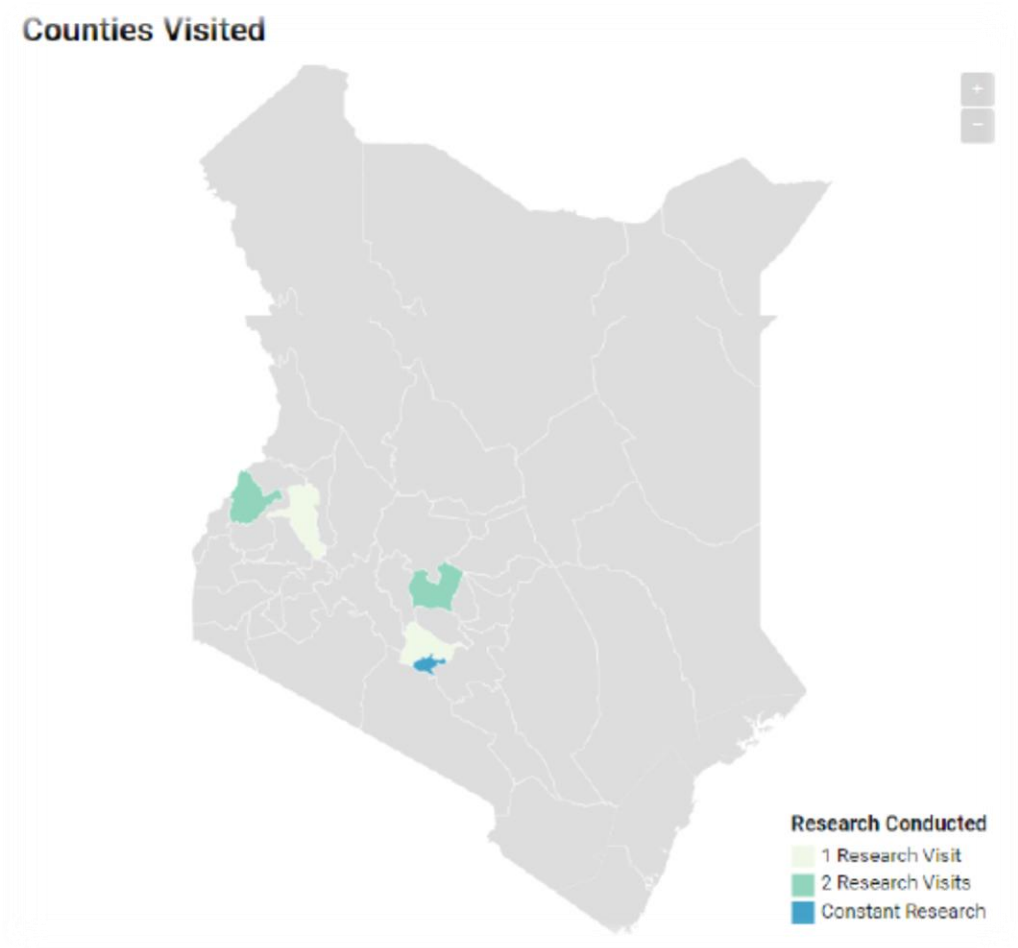

Figure 4. Counties Researched for Fieldwork

Source: Author

County Selection

Bungoma county was selected due to its historical engagement in the production of sugar, being an integral part of the western sugar belt. The importance of sugar and the political economy around this commodity is critical in demonstrating the overall mechanics of the sector. Bungoma has a large Bukusu Luhyia community. Since 2002, Bungoma had posed as a counterpoint to Gĩkũyũ, Embu, and Meru Association (GEMA) politics, voting largely for Ford Kenya and/or ODM (due to the numerous coalitions) that preceded the end of the Moi era. Bungoma was also selected as a phase III county due to the variance in productive outcomes between sugar and tea in Kenya. The contrast of sugar and tea production in Kenya highlighted that the sector is far from homogenous, with disparate outcomes stressing the numerous narratives that the research explored.

Kiambu county was selected primarily due to its pre-eminence in coffee production, and for how it typifies the decline of the sub-sector. Coffee, despite being a commodity primarily based for export has not fared as well as tea in Nyeri county. This difference was considered to induce questions in relation to the variance, highlighting a research rich area that would create depth in the overall

investigation. Moreover, the rapid urbanisation of the county had seen a change of user in land around former coffee plantations, reducing land under coffee production significantly. Despite sharing a similar political palette with Nyeri county, Kiambu presented a different picture in relation to the export commodities under scrutiny.

Nyeri county was selected because of to its position politically, as a key stronghold for the GEMA community, which supported the incumbent Jubilee government also its political significance as the ancestral home of the former president, Mwai Kibaki, and its substantial contribution to tea production in the nation. Nyeri represented a stronghold, where it was expected that changes in service delivery would likely not change voting patterns. There was also interest in finding out whether a stronghold in the context of Kenya is likely to get better services or be neglected due to the surety of votes that would be derived from the area. Furthermore, the story of tea production is also a story of institutional change in favour of smallholders which culminated in the development of the Kenya Tea Development Agency (KTDA), which boasts farmer ownership in terms of shares. Tea had remained the darling of the agricultural sector generating the most significant amount of net revenue for decades. This narrative in comparison to other commodities was selected due to the contrasts in institutional and productivity outcomes. Nyeri county was also selected for the phase III focus groups. The county presented a good contrast to Bungoma in terms of commodities, farmers, and political orientation as mentioned above. Finally, the links and capacity of local mobilisers, here as in Bungoma, proved pivotal in carrying out the task of assisting in the organisation of farmer groups.

Uasin Gishu county was selected primarily due to its prominence as a key maize producer within the 'grain belt' in Kenya. This North Rift county is part of the four counties that contribute a majority of the nation's maize[27] (Nyoro et al., 1999). Politically, Uasin Gishu is firmly within the Jubilee coalition. However, previously this county was part of KANU in the 80s-90s, and within the opposition ODM movement against former president Kibaki (2001-2013). Therefore, it is also an example of how ethnicity in Kenya plays a significant role in voting outcomes. William Ruto's position as the Vice President (2013-2022) ensured that under the new Jubilee banner, Uasin Gishu as with other north rift counties, which are dominated by Kalenjin communities, voted for 'their' man. Additionally, maize in Kenya is a political crop. It remains the most consumed commodity, while continuing to attract the largest shares of agricultural subsidies from national government through the National Cereal and Produce Board (NCPB). However, despite its importance and support, what has been evidenced is a perennial deficit in production failing to meet national consumption demands. Maize as with the other commodities that were being examined provides one of the clearest pictures into rents and political rationalisation within the Kenyan agricultural sector.

[27] Trans-Nzoi; Uasin Gishu; Lugari; and Nakuru.

County	Core/Swing	Commodities
Bungoma	Swing on Parliament, Governor and Senators Ford Kenya Stronghold	Sugar
Kiambu	Stronghold - Jubilee	Coffee[28]
Nyeri	Stronghold – PNU/Jubilee	Tea[29]
Uasin Gishu	Stronghold – Jubilee	Maize

Table 4. County Selection, nature, and commodity
Source: Author

[28] Another reason to pick coffee is that it relates to sugar in that for the last several years (2013 – Present) the commodity fund only support sugar and coffee.
[29] (*) Refers to the institutional placement of the commodity which places it under the jurisdiction of one of the directorates in the Agricultural Food Authority (2013).

CHAPTER II

Historical Review: Post-Independence Politics, Agricultural Policy and (De)centralisation in Kenya

Told through the lens of political settlements and the theory of rents

Introduction

Since independence in 1963 the distribution of rents between major ethnic groups has been at the heart of Kenyan politics. In 2002, political and economic reforms sought to readdress the distribution of institutional benefits and enhance distribution. This chapter focuses primarily on the historical political measures that have influenced the contests over distribution of power, especially on the degree of (de)centralisation of the Kenyan state, and on the public institutions that have been established to support a range of agricultural value chains. This chapter begins the application of political settlement theory, rents, and decentralisation in a historical examination of the Kenyan agricultural sector within the broader historical context of the country's history over the period of five distinct eras (*table 5*).[1]

At independence the question of whether Kenya would be unitary or a federal state was a central issue due to the varying nature of rent distribution that the two systems would likely provide in an ethnically diverse state, where politics is largely shaped around ethnicity. Within the Kenyan African Democratic Union (KADU) there were fears that an overly centralised state would witness the capture and distribution of rents to a narrow powerful ethic coalition. Whereas, conversely, a unitary state was preferred by the Kenya African National Union (KANU), rightly, due to the control of rents, and the claim that it would ensure stability and/or unity (*harambee)*.[2] Enhanced regional autonomy was considered as a natural means to stave off an overbearing center, however these efforts were largely supressed by the end of the 1960s. What instead occurred was the creation of multiple formal institutions, referred to as parastatals, which affected the distribution of rents to various ethnic groups, arguably maintaining political stability.

Notably, the preference of redistributive polices over broad-based positive economic outcomes witnessed a decline in economic productivity in the 1980s-2000 era (*figure 6)*. This change in economic outcomes affected political stability, which ultimately contributed to incrementally shifting the nation towards multi-party politics. The key role of agriculture in the economy, and the shift in emphasis by

[1] Frist Era (1960-1970) – KANU's assimilation of opposition parties and consolidation of power; Second Era (1970-1980) – Jomo Kenyatta and Kenya's economic exceptionalism; Third Era (1980-2003) – Daniel Arap Moi, elite capture & Institutional degradation, Kalenjin prioritisation, and the return of Multi-party politics; Fourth Era (2003-2013) – Mwai Kibaki, failed constitutional referendum, Post-electoral violence, and national and agricultural reform; and the Fifth Era (2013-2017) – Kenya's new political settlement.

[2] *Harambee* (pull together) was a laisser-faire ideology that called on "people with their social difference and position in society notwithstanding to join forces and contribute to the country's development" (Shilaho, 2018, pp. 58–59).

the executive in the 1980s from productive export led growth, to unproductive food self-sufficiency was critical to the negative economic outcomes that eventually put pressure on the ruling elite to reconsider the unitary manner rents had been historically distributed.

Kenya's ethnic composition has witnessed varying ethnic groups coalescing around various agricultural value chains. The distribution of rents in this context acted as form of patronage. These timeframes assist in demarcating significant shifts in policy and rents with incremental shifts in the political settlement reflecting the holding power of the varying ruling coalitions. It is this appreciation of context, recognition of rent, rent-seeking, holding power, and the role of formal and informal institutions which allows for political settlement theory to provide a critical platform of analysis on the nature of the Kenyan agricultural sector as illustrated in *figure 5*.

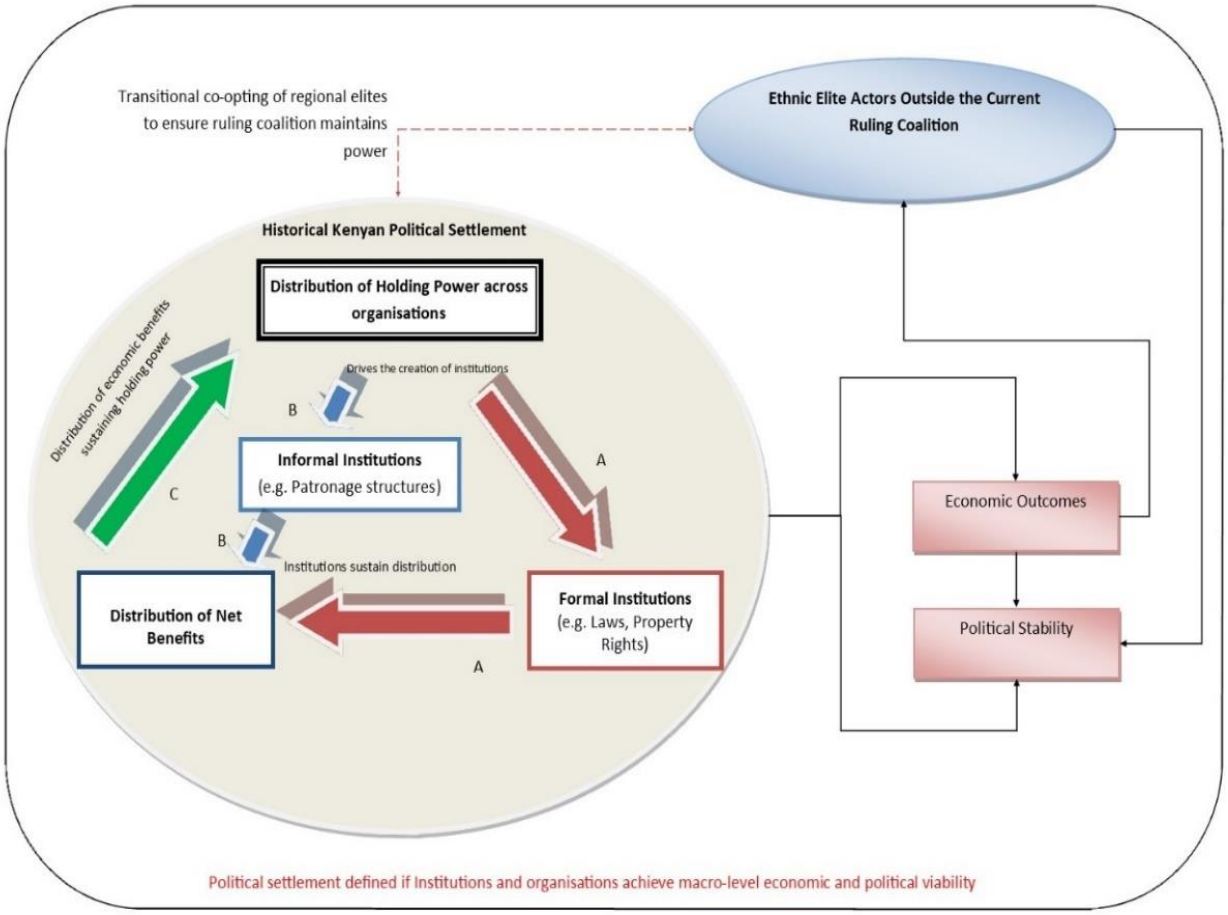

Figure 5. Kenya's Political Settlement
Source: Khan (2010); Author's Adaptation

Figure 5 is illustrative of the Kenyan political settlement and the circular interdependent relationship between institutions and the distribution of power. The emergence of formal and informal institutions is a response to the rent-seeking of powerful groups. These institutions are responsible for the distribution of benefits as represented by Arrows A and B. The economic benefits derived sustains holding power as represented by Arrow C (Khan, 2010). Hence, a political settlement emerges when the distribution of power and benefits generated by the institutional structure is sustainable over time. Maintenance of this arrangement also requires economic viability which partially influences political stability as illustrated. During Jomo Kenyatta's tenure (1963-1978), there were largely positive economic outcomes with export led driven agricultural policy providing broad-based macroeconomic benefits, contributing to political stability with power centralised within KANU, and little competition outside KANU, all of which contributed to KANU's holding power.

Kenya's multi-ethnic nature has traditionally required that ruling coalitions also incorporate enough powerful multi-ethnic groups to maintain their holding power and to maintain political stability. KANU was a coalition party that represented all the relevant political groups, albeit to varying extents. Moi (1978-2002), shifted the balance within KANU by favouring Kalenjins, using Kenya's multi-ethnic nature as a means of balancing political interests and/or playing groups off each other, altering agricultural policy towards food security, which ultimately shifted benefits which dimmed agricultural macroeconomic performance as highlighted in *figure 6*. The changes of institutional structure and benefits derived therefrom ultimately compromised KANU's holding power as will be demonstrated in this chapter. *Figure 6* highlights the synergy between agricultural growth towards Kenya's overall growth in GDP. Notably, it is evidenced that growth under Moi declined (1978-2002).[3]

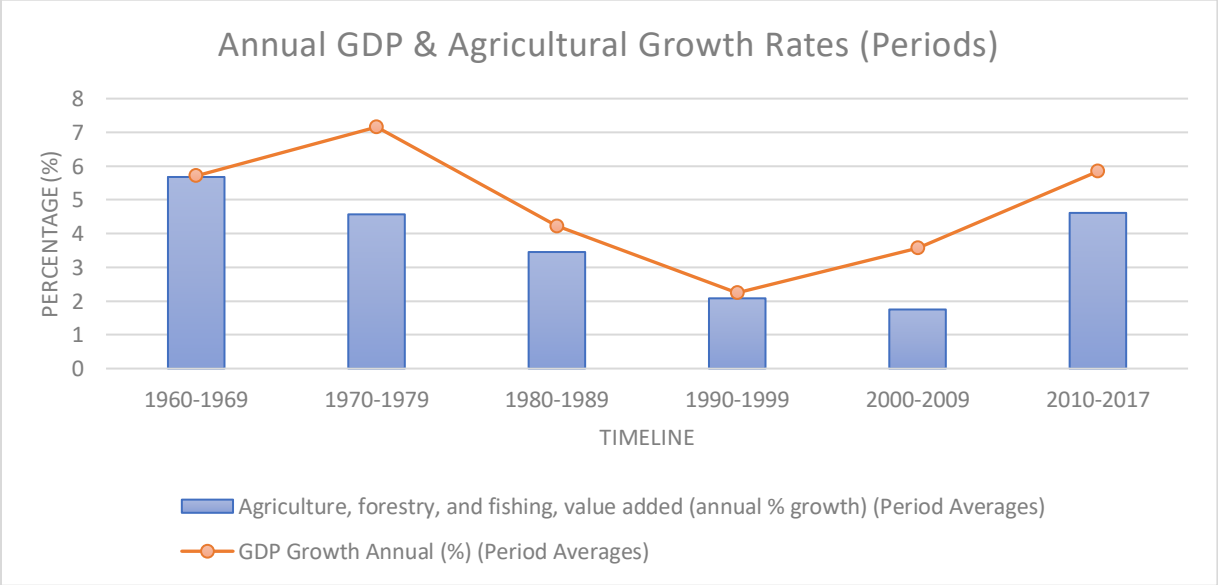

Figure 6. Annual GDP and Agricultural Growth Rates
Source: The World Bank (2019); Author's analysis

[3] It is noted that during this period (1980s-1990s) there was a general decline in economic prospects in SSA. Moreover, international trade and the fluctuation of commodities, such as oil and decline in demand for coffee also played a role. However, these issues were not explored in depth.

Since independence in 1963, agriculture has remained a significant contributor to share of GDP, export earnings and employment. Its key role in the economy has been mirrored by the history of Kenya, as the success and failure of the sector is closely linked to overall growth and holding power of ruling parties due to the rents generated from sector. Agriculture as a percentage of GDP highlights the historical importance of the sector as illustrated in *figure 6*.

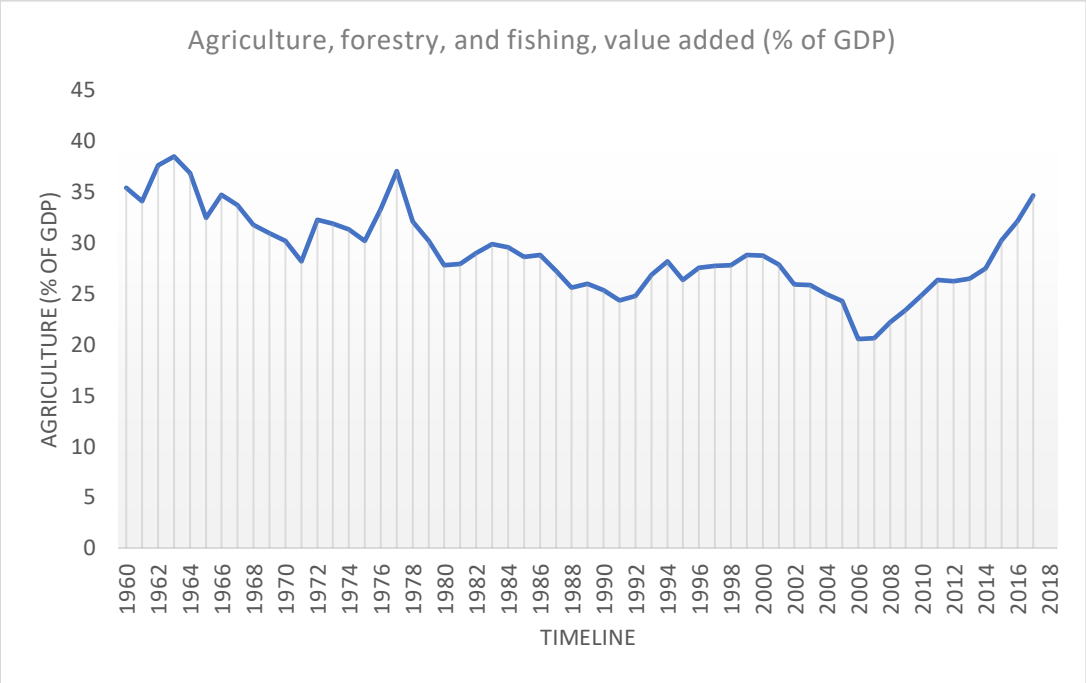

Figure 7. Timeline on agriculture, forestry, and fishing value added as a % of GDP
Source: The World Bank (2019); Author's analysis

A further illustration of the importance of the agricultural sector historically is presented in *figure 7*. Theoretically, an orthodox approach would illustrate that the relative importance of the agricultural sector as a share of GDP to decline over time, as the structural transformation of the economy proceeds (Timmer, 2009). This is indeed broadly what happened over the period 1960-2005. However, since 2005 its relative importance has increased, such that its share of GDP which was at independence its levels by 2018. This is unusual. However, it explains why control over agricultural institutions remains important within Kenyan politics.

An additional indicator that highlights the importance of the agricultural sector is the contribution of food and agricultural exports as a percentage of total merchandise exports.[4] From 1975 to 2017 food exports and agricultural raw material exports attributed an average of 52.8% and 8.8% respectively to

[4] This information includes Standard International Trade Classifications (SITC): 'Food' comprises the commodities in SITC sections 0 (food and live animals), 1 (beverages and tobacco), and 4 (animal and vegetable oils and fats) and SITC division 22 (oil seeds, oil nuts, and oil kernels). 'Agricultural raw materials' comprise SITC section 2 (crude materials except fuels) excluding divisions 22, 27 (crude fertilizers and minerals excluding coal, petroleum, and precious stones), and 28 (metalliferous ores and scrap).

merchandise exports. Overall, this accounted for an average of 61.6% of total merchandise exports (*figure.8*).[5]

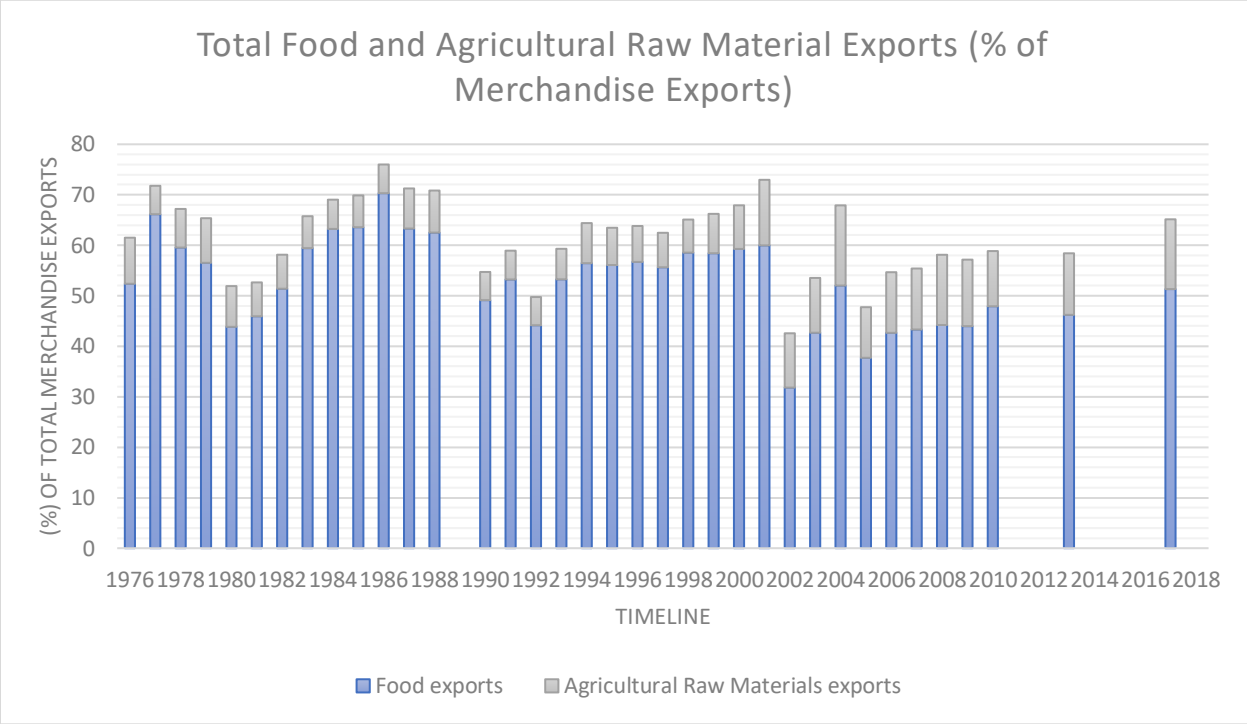

Figure 8. Total Food and Agricultural Raw Material Exports as a percentage of Merchandise Exports
Source: The World Bank (2019); Author's analysis

More specifically, within the context of the eras, it will be demonstrated that the ethno-geographical nature of Kenya and the failure to deal with equitable rent distribution during the First Era (1963-1970), shaped future institutional construction and rent distribution, in favour of a minority at the expense of the majority. Kenya's ethnic dispensation has been utilised as a means of political currency from which power is derived. Also, the informal distribution of rents and notion that club goods are derived through the support of a regional champion from the same tribe and/or clan has been critical influencing Kenyan groups. Groups have sought to cooperate in order to enhance their chances to access benefits, whereas in some instances dimming economic outcomes led to resistance to the status quo within elite ethnic actors and groups outside the ruling coalition (*figure 5*).

The failure of the political settlement due to a diminishing margin of net benefits to the ruling coalition, the dissatisfaction within the ruling coalition especially among Agĩkũyũ and Luo members regarding the distribution of benefits, the growing discontent within the population due to slower economic growth, and declining services came to the fore during the Third Era (1980-2003). It was in this Era that the ruling coalition's historic dominance politically through the 'party-state' was effectively challenged in 2002, primarily due to defections in the KANU coalition led by Agĩkũyũ and

[5] Note that there are some years where data was not collected by the World Bank. Despite the years that were not reported, the overall trend highlights that agriculture has dominated the Kenyan export sector.

Luo proponents. The new coalition of ethnic actors led by the Agĩkũyũ, ushered in the Fourth Era (2003-2013); The Fourth Era (2003-2013) was notably the period with the greatest amount of legislative reform and transition within the political economy of Kenya, as the conversation of decentralisation (*majimbo*) was recast, highlighting a notable parallel between the 1960s and 2000s, one that called for a concerted equitable approach into the manner that rents were distributed in Kenya (Kanyinga, 2016).

At the national level this intersection between decentralisation and rents was once again made apparent, with the failure to address this adequately by a faction of the ruling coalition, when in 2005 they proposed the highly political WAKO draft constitution, leading to a critical rift in the NARC coalition and eventual loss of control of violence in 2007/8 post-election period. The 2007 election arguably could be framed as an election about maintaining the unitary 'imperial' presidency against factions demanding an equitable distribution through decentralisation (Steeves, 2015). The Fifth Era highlights the incremental changes within the competitive clientelist political settlement of Kenya, the role of devolution at the national level, and the sectoral reform of the agriculture sector with the creation of the Agricultural Food Authority (AFA) (2013) (*Table 5.*).

Era	**Dominant Coalition**[6]	**Centralisation vs Decentralisation**	**Agricultural Policy**
First Era (1960-1969) 'Uhuru'[7]	Agĩkũyũ-Luo	Contested (KANU's assimilation of opposition parties and consolidation of power) Gradual constitutional amendments towards centralisation	Export oriented Continuation of colonial era Marketing Boards (Parastatals) plus growth of Cooperatives
Second Era (1970-1979) 'Harambee'[8]	Agĩkũyũ, Embu, and Meru Association (GEMA)-Kalenjin	Consolidated – Centralised (Jomo Kenyatta and Kenya's economic exceptionalism)	Export oriented plus dairy in central province
Third Era (1980-2002) 'Nyayo'[9]	Kalenjin-Mixed group representation with varying regional champions	Centralised (Daniel Arap Moi, Kalenjin prioritisation & Institutional degradation, leading to economic decline and the return of Multi-party politics)	Self-sufficiency and shift in dairy production to Rift Valley

[6] "'The Kenyatta regime was dominated by the 'Kiambu Mafia', Moi's by what Ajulu called the 'Kabarnet Syndicate'…and Kibaki's and his successor, Uhuru Kenyatta's, by the 'Mount Kenya Mafia'" (Shilaho, 2018, p. 43).
[7] *Uhuru* (Freedom), a post-independence call for Kenyans to claim their rights and freedom.
[8] *Harambee* (pull together), was a laisser-faire ideology that called on "people with their social difference and position in society notwithstanding, to join forces and contribute to the country's development" (Shilaho, 2018, pp. 58–59).
[9] A Kiswahili word for 'footsteps'. Nyayoism, the ideological variant of Nyayo, contained elements such as Christian morality, developmentalism, nationalism, anti-tribalism and African Socialism (Shilaho, 2018, p. 58).

Fourth Era (2003-2013) 'Kazi Endelea'[10]	Shifting Grand Coalitions led by GEMA and Luo factions	Contested – Referendum (Mwai Kibaki, failed constitutional referendum, Post-electoral violence, leading to national approval of a revised constitution)	Mixed
Fifth Era (2013-2017) 'Tuko Pamoja'[11]	Agĩkũyũ -Kalenjin	Hybrid constitutional bargain: neither majimbo nor unitary state. (Kenya's new political settlement)	Mixed

Table 5. Kenya's Distinctive Decentralisation Eras
Source: Author

The core themes that this chapter explores are the relationships between agricultural policy, political settlement theory and decentralisation. What is critical is an understanding of the relationship that exists, and how the use of these paradigms provides insights into the political economy of Kenya, and particularly, the agricultural sector.

1960 – 1969: KANU's Assimilation of opposition parties and consolidation of the post-independence political settlement

The independence of a majority of African states was a moment in which various factions endeavoured to reconstitute the formal institutions of their respective nations, with rent-seeking[12] as one of the key strategies employed to safeguard their interests (Khan and Sundaram, 2000). The means in which rents were distributed was also largely determined by the historic informal institutional resource accumulation, and organisational capability in the form of holding power that coalition actors accrued. Kenya's post-independence political settlement, like numerous other African states was based on the relative power of groups. This affected the composition of post-independence governments, which included 'relevant' ethnic groups that could contest for power through violence (D. North et al., 2009).

At the core of the pre-independence negotiations with the British government was the matter of land, the administrative structure the new constitution would create, and the form of government that would be adopted after the colonial administration withdrew. The process was contested, with the Kenyan African Democratic Unity party (KADU) under Ronald Ngala, a Mijikenda, Odinga Oginga, a Luo, and Daniel Arap Moi, a Kalenjin, supporting a federal state,[13] as opposed to the Kenya African

[10] *Kazi Endelea* (Let the work continue). Coined by Mwai Kibaki as a mantra around the reconstruction and revitalisation of the economy post KANU.
[1111] *Tuko Pamoja* (We are together), was a call for unity among various ethnic groups. Following the ICC trail Agĩkũyũs and Kalenjins polled together around a sense of victimization which united them in a common cause to secure power.
[12] "The expenditure of resources and effort in creating, maintaining, or transferring rents" (Khan and Sundaram, 2000, p. 70).
[13] In 1963, the Constitution of Kenya included Federal provisions that were amended by 1978, in favour for a unitary state.

National Union (KANU) led by Jomo Kenyatta, an Agĩkũyũ, preferring a unitary state. Kenyatta called for *harambee* (pulling together, i.e. national unity), above *majimbo* (regions), which was a divisive issue between the factions. At the time of Kenyatta's release from prison in 1961, the shaping of the Lancaster House Agreement and future post-independence stability required that KANU both make concessions to KADU, and respect some of the wishes of the 'settlers', primarily around property rights and the purchasing of former colonial land, without departing too far from its own interests or risk losing it base support. The million-acre program of land resettlement that began in 1962 was one of those contentious issues that KANU approved, relieving the pressures around landless unemployed Kenyans, however it began the alienation of Odinga, who believed that the expropriation of land should be without compensation (Harbeson, 1973).

As mentioned, Kenya is a multi-ethnic nation with 42 distinct tribes which also congregate in various historical geographical regions. Leading up to independence there was a general sentiment among 'smaller' tribes, that an Agĩkũyũ-Luo alliance may lead to a capturing of the state to the detriment of weaker positioned tribes (Steeves, 2015). Though the alliance was formally fashioned with Jaramogi Oginga Odinga, a Luo, being the first Vice President of Kenya, it was actually Odinga, who remained one of the main proponents of *majimbo*[14], *ugatuzi*[15] or devolution (Ghai, 2008). Majimbo called for a federalisation of the state into eight (8) provinces.[16] (*Figure 2*). The critical reason for the support of *majimbo* was the fear that the Agĩkũyũ would capture the majority of rents at the center.

By 1964, KANU with a majority of the parliamentary seats and having taken a moderate direction on land-resettlement as mentioned, managed to create a *modus vivendi* that provided an environment where KADU leaders could be co-opted to 'cross the floor', making Kenya a *de facto* one-party state. Therefore, when Ngala and others joined KANU to vote for a constitutional amendment that would change Kenya into a republic after Kenyatta deferred the implementation of *majimbo,*[17]this was effectively the end of regionalism[18] (Gupta, 1981). The reward for 'cooperation' was a sharing of cabinet, ministerial, and government appointments, evidenced by the appointment of Ngala as the second Vice President of KANU in 1966, with a transfer of natural resource rents occurring for the benefit of various local elites and intermediate groups, in the shape of land allocations.

In practice these two factions KANU and KADU pulling in different directions, the former for centralisation, where the latter sued for decentralisation, undermined the envisaged Agĩkũyũ-Luo power sharing alliance. To bring *harambee* to the party, Kenyatta utilised clientelist ties which created

[14] "Apart from *majimbo* and the Kenyatta questions, KANU and KADU had demonstrated few basic disagreements since their first contest in the 1961 elections. The eventual merger…would be achieved at the price of losing Odinga and the other KANU militants, who would form the opposition, Kenya People's Union in 1966" (Harbeson, 1973, p. 138).

[15] During the 2007 election campaign, "a new term, ugatuzi, came into use to refer specifically to a scheme for devolution to local government bodies…"(Maxon, 2017, p. 2).

[16] Central, Coast, Eastern, Nairobi, North Eastern, Nyanza, Rift Valley, and Western.

[17] *Majimbo* was included as part of the constitution that was assented after the Lancaster House Agreement. After the postponement and KADU joining KANU, providing the 75% majority in the lower house and 90% in the Senate, KANU was able to amend the constitution, in favour of a unitary state.

[18] The issue of the Party state is contested by Barkan, who argues that KANU was built around a 'cult of personality' and the client-patron networks that Moi fermented over time. Despite the control of violence, it was only maintained due to the capture of the state which weakened KANU considerably over time.

an all-inclusive party with representatives from most groups. This focused politicians on the "struggles for power within the party instead on the potential benefits of creating opposition parties or making exceptional demands on state resources. Kenyatta preserved KANU from the effects of competition and rendered it at once an arena where demands might safely be aired and contained, and an ineffective instrument for developing a clear program or platform" (Widner, 1992, p. 61). When a politician like Odinga challenged the status quo, Kenyatta was able to use the KANU monolith to set aside political dissidents. Due to their differences, which included their stance on decentralisation, Odinga was eventually ousted as vice-president and ended up as leader of the opposition creating the Kenya People's Union (KPU) in 1964, which by 1969, had been banned.

Land and Independence

The independence of Kenya came about through an armed struggle which centred on Central and Rift Valley provinces, where a majority of the most valuable agricultural commodities in the nation are produced. These provinces, it is argued, were at the epicentre of the colonial legacy of property right disruption, which displaced mainly Agĩkũyũ natives in the *white highlands* (Bates, 1989). One of the key reasons that the colonial government settled white farmers in the *white highlands,* was in order to finance the railway from Mombasa to Kisumu through enhanced agricultural productivity within their export sector (Pearson, 1995). This was achieved by settling farmers in mainly former Agĩkũyũ lands due to the altitude and appropriate ecological conditions that allowed for the production of export crops like tea and coffee. This form of natural resource rent transfer in land would be played out again at independence (Ricardo, 1973).

The matter of land is critical, for it has been at the center of the nation's agricultural history (Okoth-Ogendo, 1976) . The varying geographical topography of the nation allowed for the production of various commodities in different areas, something that the colonial administration capitalised on, which was perpetuated in the institutions and the commodities that are produced to date. What generally occurred in the pre-independence period was the development of intensive production of tea, coffee, pyrethrum, and the eventual growth of a dairy sector through the development of parastatals.

However, the disruption in traditional property rights and the eventual growth of dairy sector eventually culminated in native labourers (also referred to as *squatters*), being forced to choose between abandoning their own herds or returning to their 'reserves'. As it was the intention of ranchers and colonial farmers to expand land under use to ensure that there was diminished competition. The ultimatum led to a significant number of squatters returning to their native reserves, as maintenance of livestock was a valued cultural practice, though their return was not as prodigal sons and daughters, instead as landless peasants whose traditional stake in their native land was severed even at the commune level, due to the pressure colonialism had exerted on the once abundant resource, land. This displacement was one of the key catalysts that led to the birth of the Mau, a theory which is supported by the movement's epicentre being around former Agĩkũyũ tribal lands.

The Swynnerton Plan

The Swynnerton Plan (1954-59)[19] was double pronged in its objectives, with the two core drivers being political and economic. Politically, the plan sought to develop the property rights in the form of individual land tenure to satisfy the disaffection that native farmers posed, in the hope that property right creation, especially in reservations could create a vanguard of native farmers who would oppose changes to their gains, while absorbing potential Mau Mau dissidents to be hired as labourers (Thurston, 1987). Economically, market restrictions on native farmers producing key export commodities were relaxed allowing for the growth and development of native smallholder farmers benefitting from the key parastatals that previously had only managed white settler farmer produce (Ochieng, 2007). The colonial government had previously ensured through its state institutions that rents in the form of transfers, and natural resources were exclusively channelled to white famers due to their significant political power within the pre-independence political settlement; however, this policy challenged the status quo.

The extension of services to native farmers took the shape of considerable public spending in the development of infrastructure and extension services, as various quality standards, e.g. in tea, were expected to be maintained for export market access. This institutional framework reveals several themes that have continued to prevail throughout Kenya's post-independent history: that not all famers benefitted equally from the reforms, as many farmers in areas considered to be in low potential export agricultural areas did not receive equal, if any, benefits from the new rent streams (Heyer, 1981; Pearson, 1995); the benefits of rents were concentrated on farmers that planted export commodities; the export commodities that were grown and their institutions have maintained their dominance within the sector, albeit with varying structural changes, initially benefiting the white settler farmers, and thereafter the new post-independence ruling coalition and affiliated intermediate groups; and the creation of parastatals to an extent was deemed to be the most efficient means of transferring rents that could not be assured by the private sector, which addressed potential market failures, for it was "considered undesirable to leave monopsonies in private hands because of the exploitation that would have resulted" (Grosh, 1991, p. 11).

Independence and Institutional Continuity

Within the agricultural sector, the post-Independence *exceptionalism*[20] that Bates (1989), referred to was primarily created by a unique pricing system, and productive rents that focused on the promotion of export commodities.[21] Moreover, the topographical nature of Kenya, where geography is destiny and the institutional framework of the country which supported the sector assisted in developing this 'exceptionalism' (Bates, 1989). The ethno-geographical nature of Kenya meant that various tribes benefitted disproportionately from the commodities that they primarily produced in their 'regions of control'. Furthermore, elites and intermediate groups saw the transfer and redistribution of productive land to support their accumulation and placate clients. This history of land redistribution is not

[19] Officially, 'A Plan to Intensify the Development of African Agriculture in Kenya," Colony and Protectorate of Kenya, 1954.
[20] Bates refers to Kenya's 'exceptionalism' in terms of "growth, and especially agricultural growth, which has been twice that of Kenya's sub-Saharan counterparts. Kenya [was] also 'exceptional' because it has focused upon agricultural exports and because it has seen the destruction of the socialist challenge to colonial and post-colonial rule" (Williams, 1993, p. 289).
[21] Primarily tea and coffee, plus dairy within Central province.

covered extensively in this body of work due to the plethora of secondary literature on the same, however, the historical benefits that were gained from this process have continued to shape power in the sector (Boone, 2003; Kitching, 1980).

The industrial policy, and formal institutions that existed for export and domestic commodities in Kenya were also markedly different in their strategy of incentivisation and rent distribution. Export commodities had a different pricing policy which at that time differed from virtually every other independent African state, in that producer prices were not set by the government, rather the world market determined the prices which were not susceptible to political or bureaucratic manipulation, largely offsetting urban bias (Bates & Block, 2009; Grosh, 1991; Lipton, 1977). This is in marked contrast to domestic commodities, in which the producer prices were set generally a year in advance by the Ministry of Agriculture, with the commodities that could be produced grown in multiple areas, creating parallel markets which diluted the monopsony of the relevant parastatals, and unlike export commodities, most of these commodities were taxed (Bates & Block, 2009). The difference in the treatment of commodities has significantly shaped the nature of rents and benefits derived by communities in Kenya.

The colonial history of the Kenyan agricultural sector to a large extent shaped the KANU government's approach to agriculture in the form of continuity. The institutions that delivered rents to producers were largely maintained, and the policy that favoured the comparative advantage that had been developed, emphasising the importance of the export sector prevailed (Lofchie, 1994). The organisation of the Kenyan economy and pre-independence history meant that Jomo Kenyatta and regional elites derived a significant amount of rents from agriculture and it was in their interest to ensure that the rents generated continued to be growth enhancing (Khan 2000). Elite ownership, comparative advantage, the political and economic incentives and compulsions, and the unique geopolitical history of Kenya created a ruling coalition that was invested in agricultural growth as a majority of the rents were derived from the sector (Lofchie, 1994). It is notable that the ethnic groups that did not 'control' valuable export commodities were also largely the same that deemed *majimbo* to be a preferable system of governance.

As mentioned, Kenya's topography has meant that various commodities are planted in certain areas. This limitation to an extent has ensured that various tribes 'specialise' in varying commercial crops, with marketing, productivity, and rent-seeking structures around the same determining whether there would be positive rents generated. Broadly speaking, the Agĩkũyũ were heavily involved in the tea, coffee, and dairy; the Luo, sugar and cotton; and the Kalenjin, maize and dairy. There are other commodities and tribes that have not been mentioned which 'control' other agricultural sub-sectors value chains.

The Agĩkũyũ led by Jomo Kenyatta preferred a unitary system, arguably emphasising growth at the expense of equitable development, despite the famous Tom Mboya Sessional Paper No.10,[22] in which the government committed itself to rapid growth and equitable development (Republic of Kenya,

[22] African Socialism and its application to planning in Kenya.

1965). By 1969, all the previous constitutional amendments that had been made since 1963 were consolidated through the Constitution Act of Kenya 1969, which proved to be the most significant amendment to the constitution until 2010. The reforms of 1969 were made easier with the expulsion from KANU of the champion of *majimbo,* Odinga,[23] and the banning of his party, KPU in 1969, after civil disruption in western Kenya sparked by the assassination of Tom Mboya, a Luo, who was deemed to be the heir apparent after Jomo Kenyatta. The vacuum created the opportunity for an Agĩkũyũ-Kalenjin alliance in the shape of Daniel Arap Moi as Vice President. Moreover, the amendments repealed any semblance of 'federalism', with the legislature being made unicameral rather than bicameral, and changes from a parliamentary system to a semi-presidential system imparting further executive authority and powers on the president (Chitere, 2006).

These amendments solidified the power of the executive incrementally orienting the same in the direction of Agĩkũyũ institutional pre-eminence with Kalenjin elites receiving significant parcels of land as rents to secure the patron client relations within their community. The 1960-70 era was marked by transition in the shaping of formal and informal institutions within an independent Kenya, whereby after a period of transition, a replicable political settlement was established. At the end of the decade, rents had been centralised and elites outside the ruling coalition (e.g. Luos), were unable to organise to contest the dominance of KANU. These incremental changes to the formal institutions of Kenya contributed to 'purple patch' of growth and development under an imperial presidency from 1963-1980 (Steeves, 2015).

1970s: Jomo Kenyatta and Kenya's Economic Exceptionalism

Agricultural production lay at the heart of the development of the nation with the most valuable export commodities mainly being grown in central province, providing the backdrop for Agĩkũyũ economic dominance from 1960-1978. The 1970s can be characterised as a period when there was stability in the Kenyan political settlement. Namely, there was a reproduction of positive economic outcomes that were beneficial to groups within and outside the ruling elite, which contributed to political stability. During 1970-1980 period agriculture, forestry and fishing contributed an average 31.3% to GDP, whereas food and agricultural raw materials contributed an average of 63.5% from 1976-1980 (The World Bank, 2019).

Kenya during this period was a *de jure* one party state, with the KANU coalition being able to balance regional elite interests through rent transfers, which carried a deadweight loss that was outweighed by the net benefits from formal and informal institutions, creating overall growth with implicit positive social costs. The form of rents primarily constituted of land transfers, positions within the formal institutions, and transfers to communities that supported local political and economic activities (Bates, 1989).

[23] It was at the 1966 Limuru Conference where Odinga was squeezed out of the party, i.e. his position as Deputy President of KANU was abolished and 8 vice presidents were appointed to represent all the districts. "His close associates were also thrown out of the party hierarchy. The elections resulted in the elimination of candidates from what had come to be known as the 'Progressive Group' (Gupta, 1981, p. 186)

Notably, Kenyan independence came at the expense of purchasing significant allotments of land from former settlers, with the procurement and resettling of the *White Highlands* proving extremely expensive. "A total of £11.7 million was required for land purchases alone; an additional £13.7 million for the subdivision of the land and the establishment of new settlers…raised by Britain, Germany and the World Bank, the loans for the resettlement program represented the greatest single investment in the history of the territory" (Bates, 1989, p. 74). To repay its debt, the government had to ensure that it recovered the loans made to beneficiaries of the resettlement program and also that the resettled farmers generated foreign exchange. To recover debt without recourse to collateral or personal bondage, acknowledging that land seizures from defaulters may cause significant social unrest, the KANU government designed detailed production programmes for resettlement alongside the already existing institutions. The compulsion to repay the debt, allied with the elite interest[24] to see the same succeed, required organisational efficiency within the formal state institutions, to ensure incentive alignment.

After independence an estimated 80% of former white farm units in the *white highlands* were left intact, providing a significant natural resource rent to the beneficiaries, which was mirrored in other provinces (Gow, 1995). This form of rent transfer was used to forge alliances, cementing future coalitions with various ethnic groups, the most notable being the transfers that secured the Agĩkũyũ-Kalenjin governing coalition, while also largely excluding the groups outside the coalition.

Agricultural institutions

Agriculture is politics in Kenya. Public institutions have dominated the Kenyan agricultural sector, aligning economic institutions with politics. As mentioned, Kenya's topography has meant that various commodities have been planted in certain areas influencing which tribes 'specialise' in varying commercial crops, with marketing, productivity, and rent-seeking structures around the same determining whether there would be positive rents generated.

Agricultural Parastatals were created during the 1960s-2000s as a means of transferring rents to placate groups within and outside the ruling coalition.. Poulton and Kanyinga (2014a), identified that there was a strong association between particular groups and the main agricultural value chains that is attributable to the ethnogeography of the country. Parastatals were key institutions in the control and distribution of benefits for almost every relevant commodity: The Kenya Sugar Board; Tea Board of Kenya; Pyrethrum Board of Kenya; Coffee Board of Kenya; Cotton Development Authority; Kenya Sisal Board; NCPB; and Horticultural Crops Development Authority to name a few. Parastatals inadvertently decentralised the agricultural sector, as they had considerable powers and oversaw the governance of their respective subsectors (Grosh, 1986). However, they also were subject to capture, and inefficiencies that eventually led to their centralisation under AFA in the Fifth Era.

[24] The Policy of African Industrial Policy is mutually reinforcing to Khan's interpretation of the political settlement. This theory builds upon Khan's framework creating an industrial political economy that take credence of the unique conditions found on the continent Whitfield, L., Therkildsen, O., Buur, L., & Kjær, A. M., (2015). The Politics of African Industrial Policy: A Comparative Perspective. New York, NY, Cambridge University Press..

Despite the narrative around the elite capture of state enterprises, there were marked differences in the manner parastatals performed, normally around whether the commodity produced was for the export or domestic market. Highlighting the argument that rents are not automatically predisposed as being unproductive, that even within the context of a developing nation, productivity is possible, if the appropriate industrial policy is applied. It is notable that parastatals in Kenya varied in their strategy and implementation of policy. This difference in institutional organisational capability, and the historical importance of the rents generated by commodities governed historically produced significantly varying outcomes.

History has demonstrated that parastatals can be productive despite the clientelist political settlement of Kenya, however broadly, the centralised control of parastatals contributed to compounding sub-sectoral failure of various commodities (Grosh, 1991). Primarily, redistributive transfers, unproductive rent-seeking, patron client relationships, a bloated civil service, and corruption played a key role in the economic mismanagement in the period (Barkan, 1994).

The 1970s benefitted from the foundation set in the 1960s in creating a political settlement that led to a positive distribution of net benefits, generally positive economic outcomes, and political stability (Winter-Nelson and Argwings-Kodhek, 2009). As with the creation of the railway previously in the colonial period, agricultural export surplus was utilised to service the nation's debt. The 1980s would not maintain this trajectory. The politicisation of rent distribution predicated on ethnicity, confirmed pre-independence fears on how a strong executive within a unitary state may squander rents for the benefit of their ethnic elites and intermediate groups.

1980s: Daniel Arap Moi, Kalenjin prioritisation and 1990s democratic affronts to the KANU political settlement

In 1978 Jomo Kenyatta died and was replaced by vice-president Daniel Arap Moi, a Kalenjin, against the will of GEMA politicians who previously had sought constitutional amendments to block Moi's ascent. A key means of consolidation was presented after 1979-80 drought. Moi blamed the shortage on Kenyatta's 'old guard', providing him with the opportunity to dislodge them from the party and consolidate his base. This meant side-lining proponents of the previous regime, and the appointment of more Kalenjin politicians, plus some western Kenyan leaders like "Mwangale, Shikuku and Osogo" (Bates, 1989, p. 137).

On August 1, 1982 there was a failed coup d'état carried out by Air Force officers, presenting Moi with another opportunity to consolidate his power. Notably, the coup did not have any significant public support from other elites, however, the occasion allowed Moi to blame his perceived enemies[25] for the failed coup. The most prominent casualty of this process was Charles Njonjo, the Attorney General and close Moi confidant. Njonjo was an ambitious politician, who had broadly sought to side-

[25] Odinga was blamed for orchestrating the coup leading to his house detention and the suppression of any significant Luo interests within KANU until the late 1990s.

line other Agĩkũyũ interests in the party for his own benefit. He had "accumulated sufficient political power, as chief of several branches of the country's internal security operations to constitute a threat to the president" (Widner, 1992, p. 147). Moi observed that his role and lapse in not detecting the coup was sufficient grounds to indirectly accuse him of abetting the treason. Attacks were led by Luhyia MPs[26] in parliament, ultimately being rewarded with funding to the Shikuku's Butere Development fund. On July 1, 1983 Njonjo resigning his position (Widner, 1992).

Furthermore, Moi's reaction to the coup was to make Kenya a *de jure* one party state by an amendment to the 1963 constitution at Section 2A. This also permitted him to suppress GEMA interests within KANU and consolidate his position by shifting a larger share of rents to Kalenjin and affiliated factions within the ruling coalition. Changes in agricultural policy were some of the most prominent means used to achieve this (Bates, 1989):

> "The Kenyan Presidential shift in 1978 altered the focus of resource allocation, from the productive export sector related commodities, to the Rift Valley and Kalenjin communities therein. This shift towards [cereal] 'self-sufficiency' had broad economic ramifications, mostly negative"(Lofchie, 1994, p. 158).

The alteration in policy shifted rents towards the Kalenjin communities that were primarily responsible for producing maize, the country's staple. Self-sufficiency was the political vehicle used to justify a policy that reallocated resources away from the Agĩkũyũ's coffee, tea and dairy production, towards the distribution of a greater share of the rents available to Moi's local constituencies. The formal institutional means in which this was achieved was with the creation of the National Cereal Produce Board (NCPB) in 1980, this was and has remained the most important institution for supporting Kalenjin and other farmers interests in the Rift Valley.

In addition to maize, dairy in the Rift Valley and tea in Western Province begun receiving enhanced support during this period. By contrast, institutions that had supported Agĩkũyũ farmers during Kenyatta's presidency were gradually undermined. A key example of the growth stunting policies in this period that led to economic decline was the banning of the Kenya Farmers Association[27] in 1985. The KFA since pre-independence had represented the interest of commercial farmers of Trans Nzoia, especially regarding wheat and maize. The KFA historically had acted as the government's agent, and among its duties included, loans, distribution of fertilisers and varying inputs, and the marketing and storage of grain (Bates, 1989). In 1985, it was replaced by the Kenya Grain Growers Cooperative Union which was largely staffed by members of the Kalenjin community (Lofchie, 1994). The logic behind this and other institutional changes in the agricultural sector in this period was arguably to reduce the influence of prominent Agĩkũyũ farmers, "but it dramatically reduced the level of technical

[26] Martin Skikuku (Butere), Elijah Mwangale.

[27] "Throughout the 1970s ethnic associations such as the Kikuyu Embu Meru Association (GEMA) and the Luo Union functioned openly without state interference, though many regarded the activities of such associations as divisive. The powerful Kenya Famers Association (KFA), a holdover from the colonial era, Africanized its leadership, extended its membership to small farmers, and continued to represent the interest of large farmers." Barkan, D., Joel (1994). Divergence and Convergence in Kenya and Tanzania: Pressures for Reform. Beyond Capitalism vs. Socialism in Kenya & Tanzania. D. Barkan, Joel. London, Lynne Rienner Publishers, Inc.: 1-47.:24.

support available to producers of Kenya's principal export crops, coffee and tea" (Barkan, 1994, p. 26).

The attack on KFA and other economic institutions was accompanied by the banning of non-government welfare organisations, like the Gikuyu, Embu and Meru Association (GEMA)[28] in 1981, in order to ensure that political stability was maintained. GEMA had its roots in a shared colonial history in relation to the theft of land, displacement and armed struggle. There was sentiment within GEMA that independence was 'their Uhuru', whereas other tribes were merely beneficiaries (Karimi and Ochieng, 1980). The commercial success of the organisation and undisputed political ambition had been rebuked by Kenyatta in 1975, when he threatened to ban all welfare organisations competing with KANU stating:

> "GEMA is not the government. It is imperative that you respect the government because, if you do not, I will disband the organisation. We also have laws by our government which you have to respect because they are superior to your associations' constitution... If it (GEMA) is self-seeking I will disband it" (Karimi and Ochieng, 1980, p. 60)."

Hence, when Moi had the opportunity to consolidate his power, he banned welfare organisations which he considered a threat to his power. In agriculture, the redistributive nature of the policy reorientation, and the evidence from other regional states like Julius Nyerere's Tanzania to the south, provided indicators that food self-sufficiency and growth were not correlated. The myth of self-sufficiency relied on the mistake that African states predominantly consist of "localized and largely self-sufficient farming communities....[which did] not deal with the continent's explosive urban growth, or the emergence of the large rural, non-agricultural populations or the intensive agriculture that is required to meet growing demands"(Lofchie, 1994, p. 148) .

Following recovery from drought in the early 1980s, the production of maize did increase, but this increase was not sustained through the 1990s (*figure 9)*. Kenya did not become a net exporter of maize, neither did it obtain sustainable food security, with droughts compounded by institutional failures, creating periodic shortages, which have continued to prevail. This period also witnessed a parallel stagnation of sugar production. The net effect of the 1980s policies was to tax producers of agricultural exports in redistributive schemes that sought to finance rural welfare services and infrastructure (Barkan, 1994). The benefits didn't last long; by the mid 1980's "Kenya started experiencing shortages of cereals and most of the farmer support structures like KFA, Agricultural Finance Association (AFC), Kenya Planters Cooperative Union (KPCU), Kenya Grain Growers Cooperative Union (KGGCU) went under, due to embezzlement, mismanagement and political interference" (Owuor et al., 2010, p. 5).

The change in the distribution of net benefits from various institutions (primarily agricultural), drought in the late 1970s and early 1980s leading to increased importation of food, the end of the tea and coffee boom which reduced foreign exchange earnings, and the oil crisis in 1979, led to a decline in

[28] Here GEMA refers to a formal organisation. Elsewhere in this thesis it refers to the general political alliance of Gikuyu, Embu and Meru interests.

trade index and severe import compression which had an adverse impact on exports, eventually contributing the slower growth in exports and vicariously foreign exchange availability (Khan, 1986). As *figure 9* below demonstrates, Tea, witnessed a progressive increase in production, whereas, coffee, which was not grown as widely as tea, mainly in Agĩkũyũ central Kenya, saw a steady decline from the mid-1980s. This alteration in the rents and the decline in net benefits externally led to the acceptance of the International Monetary Fund's (IMF) second round of Structural Adjustment Policies (SAPs) with their associated conditions.

Gerdin's (2002), study on Kenyan agricultural productivity and economic growth from 1964-1996 concluded that productivity growth remained relatively low at an average of 0.4% per annum throughout the period. In the 1960s and early 1970s the key means of growth in the sector had emanated from expansion in area under cultivation.[29] However, medium to high potential land makes up for only about 17% with the a majority being in ASAL regions which have historically been underdeveloped and reliant on rain-fed agriculture (Gerdin, 2002).

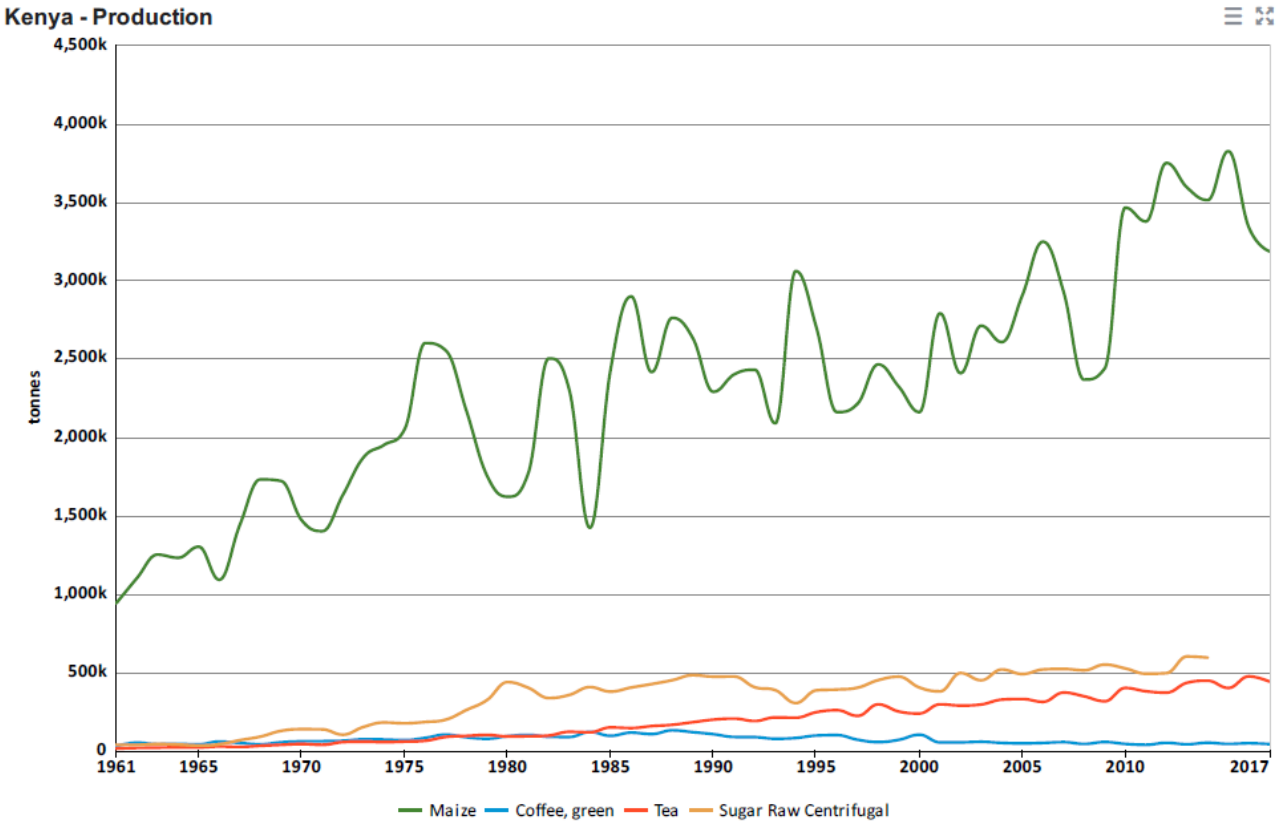

Figure 9. Kenyan Production of Coffee, Maize, Tea, and Sugar from 1961-2017
Source: Food and Agricultural Organization (2019)

[29] "As expected, because of population increases per capita arable land in the country declined by more than 50 per cent from about 0.7 acres in the mid-1970s to 0.3 acres in 2015. The trend in declining land sizes underscores the need to improve agricultural productivity to ensure that the country attains food security and that agricultural producers have a profitable enterprise" (The National Treasury and Planning, 2018, p. 135).

Without schemes to enhance efficiency, total factor productivity across most commodities has remained lacklustre. By the 1990-2000 decade, the annual average growth rate had slowed to 1.1%, while the economic growth rate had eased into a precarious 1.9% over 1990-2001 as demonstrate in *figure 10,* which also highlights the importance of the sector to overall growth (Ochieng, 2007). Growth in the agricultural sector is closely linked to overall economic growth in Kenya, as it is estimated that a 1% increase in the sector results in a corresponding 1.6% growth in the economy (Miruka, 2012). The positive economic outcomes derived from growth fed into the holding power of the ruling coalition. In periods of economic decline, as was the hallmark of the Moi Era, the political settlement was no longer reproducing the same amount of net benefits over time, with poor economic outcomes leading to changes in political stability and the growth of opposition movements *(figure 5).*

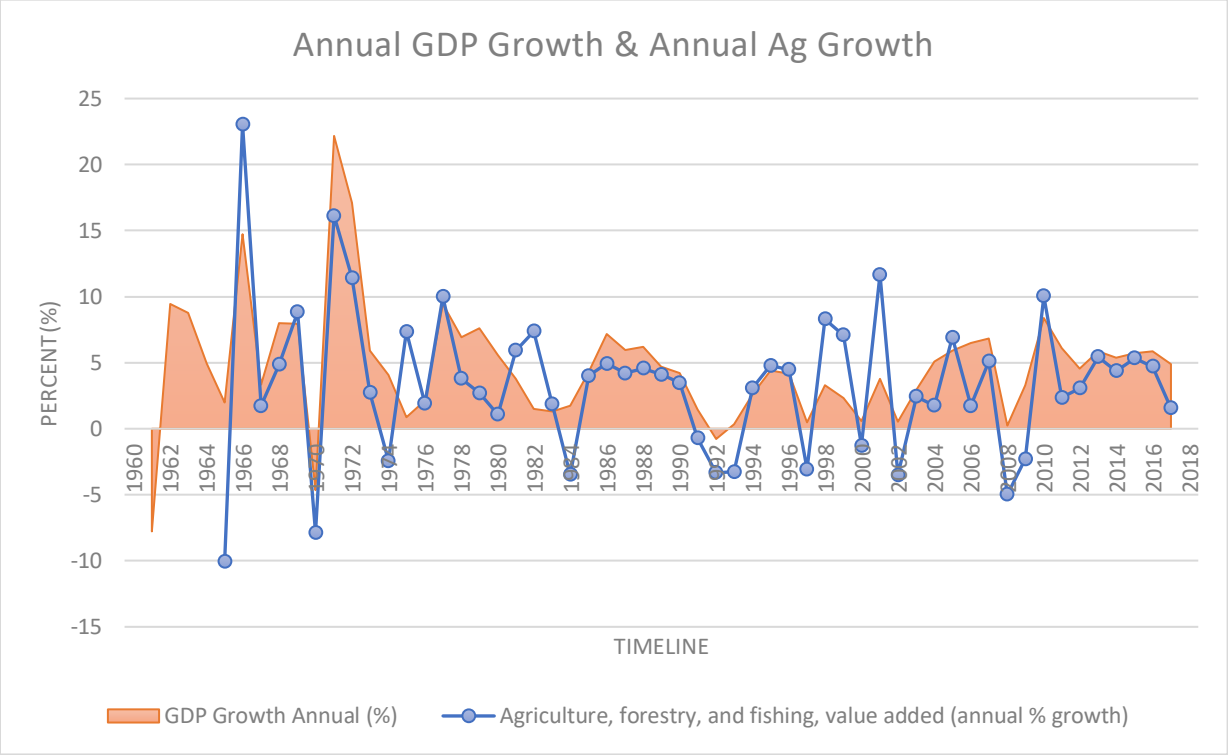

Figure 10. Agricultural GDP Growth correlation to Total Annual GDP
Source: Kenya National Bureau of Statistics (2018); The World Bank (2019); Author's analysis

The National Cereals and Produce Board

Oftentimes, in developing nations staples are treated distinctly in comparison to other commodities in the market. Staples are a benchmark. A lack, or failure of access, unfavourable consumer pricing, regularly contributes toward political instability. Nations like Kenya, to 'ensure' stability intervene in the market to stabilise prices, though this balancing act has its pitfalls. The staple food price dilemma is one in which urban consumers and rural producers balance of benefits is constantly being reviewed to ensure that food prices stay low, to promote food security, averting discontent in urban areas, causing urban bias in some countries, whilst still providing enough incentive for farmers to invest in the production of the commodity. However, when a commodity provides rents to elites this

proposition gets distorted. In these cases, elites engage in the production of a staple, normally uncompetitively relative to the global market, which increases the domestic price, however the consumer price is subsidised to maintain political stability (Bates, 1981).

In 1980, a year into the Moi regime, the earlier mentioned drought, and institutional failures perpetuated by the Maize Board, contributed to turning a drought into a famine causing considerable political turmoil. The political backlash in the agricultural sector focused on Jeremiah Nyagah, the minister of agriculture at the time (1971-1979), having being a key proponent from Kenyatta's previous regime, it was intimated that he had facilitated various Agĩkũyũ old guard to export maize reserves which perpetuated the maize crisis (Bates, 1989). Moreover, Njonjo (still acting as the Attorney General), seeking to set aside his political rivals, in order to be Moi's successor, also focused his attacks on Mwai Kibaki, the then Vice President. Rumours of disloyalty, and factions working against the new president were spun. Kibaki, an Agĩkũyũ, was implicated in abetting in forms of economic sabotage with influential businessmen with ties at the Maize Board to overthrow Moi. This resulted in Moi sequestering more power away from the 'old guard', highlighting how he immobilise his perceived rivals, a common trait of his presidency.

NCPB was created in 1980 as a state institution to support the control, sale, and marketing of maize, wheat, beans, and rice. Moi rationalised its creation to address droughts, and staple shortages, to stimulate and acquire maize to deficit areas. Moi astutely turned an emergency to his advantage, creating an institutional infrastructure that could deliver rents to the Rift Valley in the form of subsidised inputs and generous state pricing (Bates, 1989). The key commodity under the ambit of the board is maize. Maize, as mentioned earlier, is the staple of the nation, with most marketed surplus primarily grown in the Rift Valley despite it being able to grow in most parts of country.

The NCPB like its counterparts in Ghana, in the case of rice farming, historically ensured that rents were maintained for its respective elites due to the unique political settlement and elite interests in agriculture. In Kenya as in other states "the benefits from commodity chain-focused state organizations are often captured disproportionately by larger producers. This is because the easiest ways to distribute patronage is through output price interventions, credit or input subsidies" (Poulton and Kanyinga, 2014a, p. 5). The NCPB is the formal institution that generally sets producer prices higher than the world average for the benefit of rent-seekers (Jayne, 2007). The liberalisation of the maize sub-sector in 1988 didn't alter the NCPB's policy of buying 50-70% of total maize surplus at fixed administrative prices, then selling the same on the same basis. Notably, the only time that producer prices have fallen below the world market mean was in drought years (Nyoro et al., 1999). The logic behind paying higher producer prices to farmers requires an understanding of which farmers benefit from this rent. What is made apparent is that large scale farmers in the Rift Valley are the primary beneficiaries of this rent transfer, with "70% of all marketed maize in Kenya from four districts[30] of the Rift Valley, populated largely by [the] Kalenjin," (Poulton and Kanyinga, 2014a, p. 4).

[30] The four districts are: Trans-Nzoi; Uasin Gishu; Lugari; and Nakuru.

In the early 1980s, average maize yields in Kenya rose modestly, arguably justifying the creation of the NCPB, however, since then they have remained stagnant or declined (*figure 11)*. The distribution of land after independence largely maintained the rural structure of power, in which large scale farmers maintained their influence over agricultural policy despite not being the primary producers of their respective commodities. Moreover, the scale of production of maize and wheat, unlike tea and coffee, does not require the same form of intensive monitoring and management, meaning that small-scale production is actually a more productive model for the aforementioned export commodities (especially in regards to quality management), which is not required to the same extent in maize and wheat, meaning that farmers' size allotments in the Rift Valley could generally be larger.

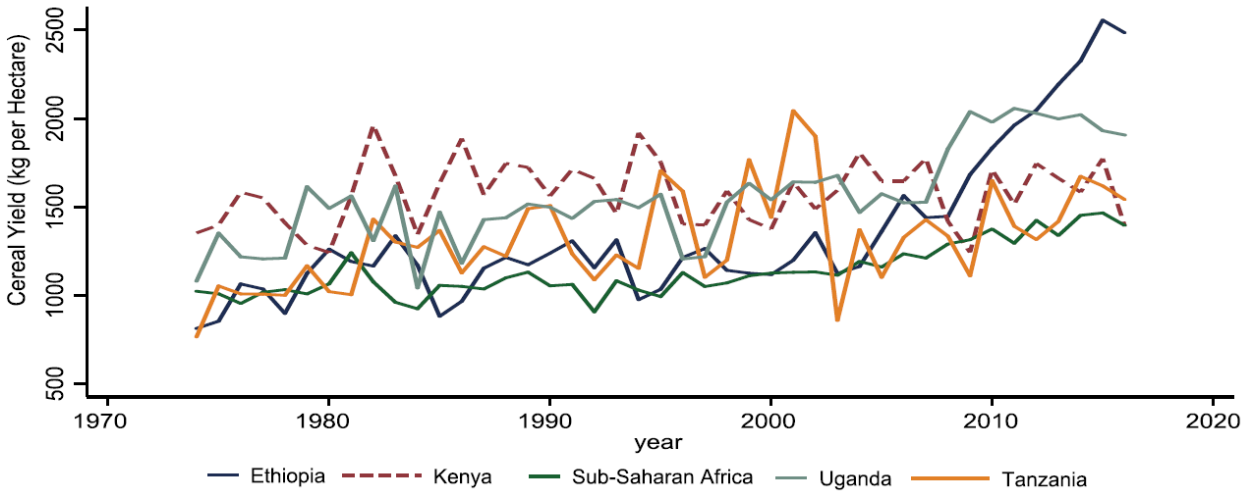

Figure 11. Trends in Cereal Production from 1974 to 2016
Source: World Bank (2018a)

As mentioned, the use of land as a rent to placate regional elites and intermediate groups to support KANU begun in earnest during the Kenyatta regime. During Moi's tenure it created rural-regional elites with interests within the NCPB which assured their production would normally (non-drought years) be purchased at higher rates than the market price. This policy has remained a key redistributive rent within the agricultural sector, even during the post-KANU years (Poulton and Kanyinga 2014). The office of Minister of Agriculture, to whom the head of NCPB accountable, was given to a succession of Kalenjin politicians from the end of the Moi era in 2002 until 2017. This arguably ensured the protection of rents despite the deadweight loss they created historically, reinforcing the notion that patron client relationships based on the rationale of political stability occurred at the expense of positive economic outcomes.

The Return of Multi-Party Politics

This elite capture of the agricultural sector around non-beneficial rents, namely, self-sufficiency unlike export commodities, as mentioned, did not generate excess revenue. Moreover, the deadweight loss that was incurred by parastatals like the NCPB in the 1980s underscored the deficient policy orientation that the sector had taken. The negative effects on the economy due to 'self-sufficiency'

and other international exogenous factors altered the political stability of the nation, eventually contributing to changes in political representation by 1991, when the constitutional amendment barring opposition parties was lifted just eight years after being instated. This was, in one form, an incremental step towards democratic representation, and in another guise, a clear indication that the political settlement was not generating enough benefits through its institutions to maintain power, hence the concession to elites outside the ruling coalition to possibly avert open violent conflict *(figure 5)*.

The reintroduction of multiparty politics in 1991 was accompanied by the establishment of the Forum for the Restoration of Democracy (FORD),[31] a Agĩkũyũ-Luo alliance that despite splintering soon after its inception, demonstrated that elites outside the ruling coalition were beginning to challenge the status quo in earnest. Nevertheless, Moi maintained the ability to divide opposition groups for another decade. One method he used very efficiently was by co-opting various rival ethnic elites and regional champions through offers of Cabinet or ministerial positions in exchange for 'loyalty'. This strategy was coined by the media as the provincial strategy or "regional representation formula for the executive…the strategy entailed distributing KANU national positions on an ethno-regional basis" (Shilaho, 2018, p. 64). Hence, the practice of sacking prominent public officials and then replacing them with an individual from their community.

Another quintessential example was in 2002, in Kasarani I,[32] where Moi had planned to pick a successor. His Vice President, George Saitoti, a Massai was set aside, likely due to the size of his ethnic group, in favour of promises to other groups like the Luos which increased the ethnic base of KANU. Raila Odinga, the son of Oginga Odinga, presumed that he would be the natural successor, however, at Kasarani I, Moi passed the mantle to Uhuru Kenyatta, the son of the late President Kenyatta (Steeves, 2006). Though Kenyatta was an Agĩkũyũ, there were other more seasoned Agĩkũyũ politicians like Mwai Kibaki that disputed the choice. These machinations had been a by-product of Moi's 24-year presidency. His use of ethnicity to divide interests was also likely one of the key reasons he maintained power as long as he did.

Overall, the Kenyatta regime generated surplus benefits that were reproducible over time on a macroeconomic scale. By contrast, under Moi, policy became increasingly redistributive in nature, and the institutions that were creating rents were largely rendered unproductive, with impacts on overall economic performance. Eventually in 2003 a new coalition led by Mwai Kibaki, an Agĩkũyũ, challenged KANU, and succeeded in taking back the reins of power.

[31] FORD Kenya split in August 1992, with Kenneth Matiba leading FORD-Asili and FORD-Kenya led by Oginga Odinga.
[32] KANU Party Conference where delegates were nominated to party positions, including the eventual successor to Moi.

2000s: Kibaki, Constitutional Referendum, Post-electoral Violence and Agricultural Policy Reforms

In 2003, the National Alliance Rainbow Coalition Government (NARC), under the leadership of Mwai Kibaki defeated KANU leading to vast changes in the political economy of the State. As with KANU initially in the 1960s, the NARC party consisted of a coalition of ethnic groups that rallied against the inequity, best portrayed by the economic decline of the state primarily due to the unproductive state institutions, and a milieu of corruption that pervade public institutions. One of the key stumbling blocks of the KANU era were the negative economic outcomes due to the manipulation of formal institutions for the benefit of a narrowing group within the elite coalition, namely, Kalenjins. NARC, therefore, came to power on a platform of economic and political reform. Regarding board-based economic reforms, the NARC government framed their outlook within the Economic Revitalisation Strategy (ERS) (2003-2007). While politically, reforms took the form of a debate on a new constitution, one that promised to alter historic inequality with a realignment of power and rents in order to reflect equity and equality.

Economic and Agricultural Reforms

The recognition of the importance of transforming the economy focused on the productive sectors which were identified as: agriculture; tourism; trade; and industry. In 2003, the sectors amounted to 50% of the GDP, with agriculture contributing about 26%, and 62% of overall employment (The Government of Kenya, 2003). By 2017, agriculture's contribution value added percentage of GDP had risen to 34.6%, and 57.8% of overall employment (Food and Agricultural Organization, 2019). The 2003-2010 period also witnessed the development of public policy seeking to address the shortfalls[33] of the previous two decades, however, these interventions were often misaligned with actual power between groups and elite interests, all of which curtailed the possibility of a transformative industrial policy (Whitfield et al., 2015).

In 2004, President Kibaki unveiled the government's Strategy for Revitalisation of Agriculture (SRA) (2004-2014). The SRA was a radical shift which borrowed heavily from the schema that the ERS developed, as captured in *table 6*, challenging the status quo by examining the current rent structure, and proposing a change in the means in which state institutions in agriculture engage with the market. Overall, the SRA sought to reform the institutional structure of the agricultural sector to enhance productivity. The SRA's priorities honed-in on various market failures among which were: Legal and institutional reform; Access to Credit and strengthening extension services; Institutional reform; and Co-operative Development (*table 6)* which were partially derived from the Kenyan Rural Development Strategy that had preceded the mentioned, and the ERS (The Government of Kenya, 2003).

[33] Kenya's Strategy for Revitalizing Agriculture (launched in 2004); Agricultural Sector Development Strategy (2010-2020); National Horticulture Policy, 2012; Fisheries Policy, 2008; National Livestock Policy, 2008; Kenya Forest Policy, 2008; Cooperative Development Policy, 2008; Food and Nutrition Security Policy, 2011 to name a few.

Public Policy	Year	Focus of Intervention for the Agriculture Sector	Overarching Themes
Economic Strategy for Revitalisation (ERS)	2003-2007	i. A lack of a comprehensive legal framework to guide formulation of consistent policies. ii. Poor access to farm credit, expensive inputs, insecurity, and taxation by authorities on farmers. iii. Poor governance of key agricultural institutions, particularly the cooperative sector; and iv. Low level of public funding and inefficient use of public resources resulting in inadequate and inefficient infrastructure.	**Legal institutional reform**[34] **Access to Credit and strengthening extension services** **Institutional reform** **Co-operative Development**
Strategy for Revitalisation of Agriculture (SRA)	2004-2014* (ended in 2010)	i. Reviewing and harmonizing the legal, regulatory, and institutional framework. i. Improving delivery of research, extension, and support services. i. Restructuring and privatising non-core functions of parastatals and ministries. v. Increase access to quality farm inputs and financial services. v. Formulating food security policy and programmes. i. Taking measures to improve access to markets.	**Legal institutional reform** **Strengthening agricultural services** **Enhanced access to inputs and markets** **Institutional reform (privatization)** **Food Security**
Vision 2030	2010-2030	i. Increase productivity of crops ii. Enhance land use, especially unproductive land iii. Maintain and increase marketing of commodities iv. Increase value addition	**Enhance access to markets**
Agricultural Sector Development Strategy (ASDS)	2010-2020* (ended in 2018)	i. Reduction of poverty and unemployment ii. Reduced food insecurity by 30 per cent, to surpass the MDGs set by the United Nations iii. Increased contribution of agriculture to the GDP by more than KES 80 billion per year as set out in Vision 2030 iv. Divest all state corporations dealing with production, processing and marketing that can be better done by the private sector v. Reformed and streamlined agricultural service institutions such as research, extension, and regulatory bodies to make them effective and efficient.	**Food Security** **Institutional reform (Privatization)** **Strengthen agricultural services**

Table 6. Kenyan Agricultural Public Policy Themes
Source: Author

[34] An instrument was sought to provide umbrella legislation to replace the numerous statutes governing agriculture.

The restructuring of the agricultural sector as mentioned, partially required, a shift in rent distribution away from parastatals that regional elites and intermediate groups had historically benefited from, threatening various support bases that were vital to parties patron client networks,[35] that likely opposed such reforms (Poulton and Kanyinga, 2014a) . As mentioned, one of the key avenues for political power and patronage in rural areas, relied to a significant extent on value chains that depended on various parastatals, therefore, it was natural that there would be resistance to any significant structural alteration to the sector.

The national political reforms that Kenya was undergoing in 2003-2010 were compounded by the transition costs involved in the staffing and reconfiguration of the public-sector bureaucracy, which after Mwai Kibaki's stroke,[36] the death of Vice-President Kijana Wamalwa, a Luyha, seen as a key arbiter within the ruling coalition, delayed meaningful implementation of expected political reforms. NARC began to unravel, with the Liberal Democratic Party (LDP), led by Raila Odinga, a leading figure in the coalition, accusing The National Alliance Party of Kenya (NAK) of attempting to capture the state for the benefit of the 'Mount Kenya Mafia'.[37] What implementation that could occur required organisational capability and institutional alignment that arguably, despite existing to some extent, were not protected from political rent-seeking that undermined implementation of the reforms (Whitfield and Buur, 2014). Under these circumstances, it is submitted, that implementing the SRA became impossible.

The development of the SRA despite including the key relevant ministries[38] was still considered to be rushed, and having excluded stakeholders that were essential to its successful implementation (Poulton and Kanyinga, 2014a). Furthermore, the fear of reforms leading to retrenchment of ministerial and parastatal staff meant that despite the development of the president's 'radical' SRA agenda, the misalignment in interests between the executive and bureaucrats would witness a tepid enforcement of the policy.

The SRA was ambitious in its goals, calling for fundamental legal and operational restructuring of the sector, however the dissolution of the NARC coalition government in 2006 ensured that little progress was made in the implementation of reforms. In 2010, following the post-election violence of 2008 and the creation of a grand coalition government, the SRA was prematurely replaced by the more 'conservative' Agricultural Sector Development Strategy (ASDS). ASDS maintained several of the key policy objectives of SRA but abandoned its ambitions regarding the reform of agricultural institutions, thereby augmenting the number of coalition members that could receive rents through the operation of these institutions. The grand coalition government also witnessed the creation of five ministries in

[35] In developing countries, the informal networks used by powerful groups to generate and protect benefits can be generically described as 'patron-client networks'. Any informal relationship or organization that involves individuals with different degrees of power can be broadly described as some variant of a patron-client relationship (Khan, 2010, p. 60).
[36] January 2003.
[37] An elite group of Agĩkũyũ, Embu and Meru businessmen and political elites – in this context they are not like GEMA, however they highlight the interests of these ethnicities.
[38] Ministry of Agriculture (MoA) and Livestock and Fisheries Development (MoLFD). Ministry of Livestock never felt any ownership, which was one of the biggest challenges for ASCU from the outset.

the agriculture sector.[39].Thus, the 2003-2010 period was dominated by exogenous national political events that arguably negatively affected the implementation of agricultural sectoral policies.

Despite the lack of progress on key elements of the SRA agenda, there were some promising institutional changes in this period. The creation of the Agricultural Sector Coordination Unit (ASCU), which took four years to be fully operational (mainly due to staffing), was a milestone as it brought together all the relevant ministries involved in agriculture, streamlining programs, funding and implementation. In relation to policy: the Food Security and Nutrition Policy that was approved in 2011.[40] There was also the revival of Kenya Cooperative Creameries (New KCC), the Kenya Meat Commission (KMC), Kenya Cotton Authority,[41] the Kenya Seed Company, the Agricultural Finance Corporation, and Agricultural Development Corporation (Government of Kenya and Office of the President, 2010). The notable decline in these agricultural support organisations in the late 1990s had been deemed to be a key reason for the overall deterioration in the sector (Poulton and Kanyinga, 2014a).

The SRA begun the work of reinvestment in formal agricultural institutions, however it did not manage to overhaul failing parastatals and/or manage to address the legal framework that perpetuated the inefficiencies in the sector. Overall, bureaucratic opposition to reform was to be expected. However, the key reason why the SRA (and subsequently ASDS) failed to make substantial progress in terms of its objectives was due to a lack of political support at the executive and in key ministerial positions, as stated by Poulton and Kanyinga, (2014a, p. 8): "what is lacking has been political leadership, especially at ministerial level, to overcome opposition to the reform programme".

Notably, one of the institutions to survive this period intact was, as mentioned, the NCPB which annually carried significant deadweight loss, surviving the reforms despite the social costs involved with the rents that were transferred. The SRA may have not fulfilled all its objectives however it was formative in providing a policy framework for the Agriculture Food Authority (AFA) (2014), which radically altered the agricultural sector as will be discussed in greater detail in Chapter IV.

Political Contestation: Decentralisation and the Distribution of Power

The 2000-2010 decade saw a political settlement in transition, leading to an overhaul of the formal distribution of benefits. Central to the struggles over reform, was the issue of decentralisation after the ousting of KANU in 2002. NARC was elected on a mandate of change. Moreover, to ensure that they maintained power, it was considered imperative that economic prospects improved, and a degree of political reform occur.

The process of coming up with a new constitution to define the new framework of power was set in motion by NARC, led by Mwai Kibaki. The Constitution of Kenya Review Commission (CKRC) was immediately established by the NARC government, with a mandate on engaging the process within

[39]Ministry of agriculture, Ministry of Livestock, Ministry of Fisheries Development, Ministry of Cooperative Development, and the irrigation department of the Ministry of Water and Irrigation.
[40] A year after the end of the SRA in 2010 and assumption of ASDS
[41] This was a private members Bill that was void of government revenue-raising powers. The lack of funding to the sector despite the passing of the Bill stunted the intervention that was torn between private actors and MPs that wanted to control the board.

100 days. At the heart of the matter remained the powers of the executive and the shape of decentralisation in Kenya, as the change in government did not alter the constitution of old which was maintained by the prevailing formal institutional framework.

In attempting to review the constitution, the CKRC found its process being politicised, as once again the topic of *majimbo* became a central issue, with groups from Kibaki's camp generally stating that such a process would balkanise the country and erode national unity that had been established (Ghai, 2008). This fear of *majimbo* which mirrored concerns from the 1960s provided the rhetoric that was utilised for support of the rejection of the CKRC 'BOMAS draft' which had introduced devolution to the central governance structure. A section of the NARC government, supported by Kibaki took to redrafting the constitution through the Attorney General, a move which was opposed by the LDP wing of the Coalition government, splitting interests and eventually the coalition. Once again, the means in which formal institutional power that was to be transposed through decentralisation became a stumbling block.

The new government draft, popularly referred to as the WAKO draft, was stripped of the devolution provisions in the BOMAS draft. The process was framed by LDP, which morphed into the Orange Democratic Movement (ODM), led by Raila, when the members were expelled from the ruling coalition. Orange became the symbol of the "No" vote to the WAKO draft which Raila stated was an attempt by the GEMA members of NARC[42] to capture the state with mere cosmetic alterations. The political division over the constitutional reform created a critical juncture (Acemoglu and Robinson, 2012). The *de facto* dissolution of the NARC coalition,[43] and rise of ODM led to a constitutional referendum in 2005, in which ODM were 'triumphant', ensuring that decentralisation remained firmly on the national agenda, unlike in the 1960s.

The 2005 referendum paved way for a tightly contested election in 2007, which deteriorated into violence. The violence was to a significant extent provoked by the possibility of a substantial loss of rents for groups outside government, including through loss of influence over the process of constitutional reform. North's double balance,[44] being: "the violence potential and political power; and the distribution and organisation of economic power" [were] in disequilibrium (C. D. North et al., 2009, p. 7).

[42] GEMA and/or the Mount Kenya Mafia as they were referred to, were seen as Kibaki's 'kitchen cabinet' especially after this stroke in 2003 that rendered him ill for a period of time. With the death of Michael Kijana Wamalwa, a Luhya, in August 2003, meant that there was a void in the executive which rivals of the GEMA coalition deemed to be another attempt by an ethnic group to capture state institutions.

[43] President Kibaki sacked the entire cabinet on 23 November 2005. When it was reconstituted two weeks later, Raila and the entire LDP group were left out. This led to the formation of a new opposition outfit, the Orange Democratic Movement (ODM) – an Orange was the symbol for the "No" vote in the constitutional referendum.

[44] According to North a double balance consists of: Violence potential and political power; and the distribution and organisation of economic power. "Societies that are out of balance are less stable: When a subset of members believes that its share of the rents is smaller than its capacity to fight, it is likely to threaten violence to gain what it believes to be its due. The idea of the double balance suggests that the political, economic, cultural, social, and military systems must contain sets of incentives that are compatible across the systems if a society is to remain stable. Because the dominant coalition in any natural state is an adherent organization, peace is not inevitable: peace depends on the balance of interests created by the rent-creation process" (D. North et al., 2009, p. 20).

Following the precedent established in the 1990s, the violence was directed primarily against Agĩkũyũ minorities that had settled in the Rift Valley.[45] Both in the 1990s and now, these people were targeted because they were accessible and unprotected "representatives" of GEMA communities. However, whereas in the 1990s, they were targeted because GEMA communities represented the most potent future threat to a Moi-led KANU government, in 2008 they were targeted out of fear and anger that now ascendant GEMA representatives could use control of the government and the constitutional reform process to skew rents towards "their" people.

The result of the violence was a stalemate. Following international mediation, the National Accord and Reconciliation Act No.4 of 2008 provided for a grand coalition government, with the two key groupings sharing rents and power therein until 2010 when a new constitution was accepted by all the ruling coalition partners.

2010-2014: The Return of Decentralisation and Institutional Transformation

Decentralisation and agricultural sectoral reforms

The adoption of the new constitution in 2010 restructured the formal institutions and legal framework of the nation. The negotiations that failed in 2005 bore fruit, albeit due to the outbreak of violence, in the form of a devolved system of governance. As mentioned in Chapter I, the new constitution was not an outright victory for advocates of *majimbo* or the unitary state. Post-election violence and the negotiations therefrom established a forum where both sides on the decentralisation debate were compelled to accept a solution that provided neither with an outright victory. Notably, despite considerable powers remaining at the center, counties were provided a constitutional guaranteed minimum of 15% of revenue, with significant authority over areas of policy and service delivery.

Under the new constitution, former districts were transformed into 47 Counties which enjoyed unprecedented levels of autonomy. The elected office of Governor was created to lead county governments, thereby creating a new group of elites whose interests lie in the enforcement of the constitutional devolution provisions, and who quickly became active in representing subnational interests. The decentralisation of power and alteration in the manner that rents were distributed also changed the framework of engagement for the center and counties in agriculture. Previously, the relevant Ministry at the Center controlled rents exclusively with the executive dictating distribution, however, the Fourth Schedule Part 2 of the 2010 Constitution,[46] provided for the Counties to generally play the role of implementation partner to the national government's role in 'agricultural policy' development (The Government of the Republic of Kenya, 2010).

[45] "In a cynical move to shore up his ethnic base, frighten the opposition, and lend credibility to his predictions that the legalisation of opposition parties would plunge Kenya into tribal conflict, Moi and his government stood idly by as 'ethnic clashes' of 'mysterious origin' erupted in western Kenya in December 1991. By May 1992 these had spread to virtually all areas along the borders of the Rift Valley Province, where non-Kalenjin migrants had settled adjacent to traditional Kalenjin lands. The magnitude and breadth of these clashes…by the end of October 1993, nearly two years after the clashes began, between 1,200 and 1,500 people had reportedly died, and between 255,99 and 300,000 had been displaced or left homeless (Barkan, 1994, p. 38).

[46] Fourth Schedule Part 2, Distribution of Functions between the National Government and County Governments in agriculture include: (a) Crop and animal husbandry; (b) livestock sale yards; (c) county abattoirs; (d) plant and animal disease control; and (e) fisheries (2010). Constitution of Kenya. Kenya, Government of Kenya.

The post-electoral violence in 2007/08 demonstrated that the historic distribution and centralised control over rents, would not suffice. The post-electoral violence was based on ethnicity, and the unequal distribution of benefits historically. Agriculture being the primary source of employment and a key source of economic benefits to communities was therefore a key sector in regard to the reforms that were being proposed by the 2010 constitution. However, the provisions about agriculture within the constitution were surprisingly vague, leaving the details to be worked out during the constitutional transitional period. The distribution of functions between national and county responsibilities was defined simply: the national government would be in charge of 'agricultural policy'; and the counties would be responsible for agriculture (The Government of the Republic of Kenya, 2010 Fourth Sch. Part I & 2).[47] This limited language invited room for considerable interpretation.

Furthermore, one of the key failures in the 2010 ASDS was that it failed to align to the new constitutional institutional dispensation. Hence, the passing of the Crops and AFA Acts (2013) addressed the ambiguity around responsibilities, but again in a surprising way. Reverting to the past, in the spirit of the ERS and SRA, these Acts dissolved several previous parastatals and brought them under one Authority as directorates, on paper achieving reforms that had proved impossible during the previous decade. The passage of these Acts and their implications for the relationship between centre and counties in the era of devolved governance are explore in chapter VI.

New political settlement, but reestablishment of the former ruling coalition

A political settlement describes a distribution of power across organisations that is broadly reproducible over time (Khan, 2018a). A relatively stable distribution of power means that formal and informal institutions that support the status quo can protect and enforce the distribution of power by powerful organisations, making it reproducible over time (*figure 5)*. In the 1960s, groups that sought a unitary approach to government were able to overcome their detractors and create a generally stable distribution of power. This was achieved by making some moderate concessions, while diluting *majimbo*. A key concern of proponents of decentralisation was that a powerful executive may eventually capture the state and redistribute rents in a manner that was not reflective of actual power in society. The 1980-2000 period justified this sentiment, though more importantly, deteriorating economic outcomes opened the door for political and economic reforms in the 2000s. It was the mistake of the Kibaki regime in the 2000s, opting to not engage decentralisation which contributed to the outbreak of violence in post 2007/8.

The ruling coalitions of the 1960s and in 2013, despite a unitary outcome in the former and implementation of decentralisation in the latter, were markedly similar. Once again, an Agĩkũyũ, the son of Jomo Kenyatta was president, his deputy was a Kalenjin, and Odinga Odinga's son, Raila Odinga was in the opposition as his father eventually was. However, in 2013 the Agĩkũyũ and Kalenjin communities united against the International Criminal Court (ICC). The narrative was that of a foreign aggressor interfering with Kenya's democratic right to choose its leaders. The rallying cry worked and

[47] The functions and powers of the county are— Agriculture, including— (*a*) crop and animal husbandry; (*b*) livestock sale yards; (*c*) county abattoirs; (*d*) plant and animal disease control; and (*e*) fisheries.

saw them win the election. A Kalenjin running mate was unlikely in 2002, following the backlash from the KANU era that saw them marginalised as a group.

However, Ruto's position as a pillar in the "no" campaign during the 2005 constitutional referendum, then a key part of the ODM alliance in the 2007 election, similar to early the 1960s when KADU opposed a unitary state dominated by Agĩkũyũ, placed him in an ideal position within the 2008 Grand Coalition government. He claimed the Ministry of Agriculture in 2008, increased subsidy distribution through the NCPB, and managed to wrestle the leadership of the Kalenjin community away from the Moi's and other predominant Kalenjin elites. By 2013, it was the former Minister of Agriculture that Kenyatta considered to be his best option at winning the election. The consequences of this highlights the role of political settlements in identifying power, and how it operates, and more importantly the recognition of identical outcomes in ethnic power distribution at the executive, despite the new framework of power.

Conclusion

Decentralisation remained at the heart of Kenya's political settlement, contested at independence, it once again took center stage in the early 2000s. The issue at the center remained the distribution of rents. Generally, the advocates in favour of a unitary system were predominantly Agĩkũyũ groups and their allies, who claimed that decentralisation and/or *majimbo* would lead to a polarisation of ethnic groups. Whereas KADU, led by tribes that were not numerically significant considered decentralisation as a means of staving off state capture. The victory of centrists in the 1960s was readdressed in the early 2000s, when Kenya once again was faced with an opportunity to create a formal framework that would be acceptable to a majority of the powerful groups in society. The irony of Kenya's decentralisation was the role of violence in compelling political factions to redress the framework of power in a consultative representative process. The result was a devolved state with 47 counties, a strong executive, two (2) houses, and elected subnational officials with authority on allocation of state allocations.

Agriculture during the five (5) Eras that were presented highlighted that historically there has been an ethno-geographic element in terms of which tribes 'controlled' various value chains. In the 1960s-1980s this proved to be broadly beneficial, with export led development enhancing macroeconomic outcomes. However, the change in the 1980s with Moi, highlighted the fear raised by proponents of decentralisation. Essentially, that the executive would be able to squander power at the expense of the majority. The power of the executive, altered agricultural policy, created formal institutions which arguably served informal redistributive interests, dimming Kenya's initial agricultural exceptionalism. Corruption and tribalism within the unitary context led to the growth of public institutions charged with the management of commodities, arguably to placate regional elites. What occurred in the 1980s-2000s, with the assistance of exogenous factors like droughts and international debt, was the overall decline of the sector and the failure of KANU to receive a net distribution of benefits in the maintenance of its holding power (*figure 5)*.

Declining economic outcomes and political stability witnessed the end of KANU national dominance. Immediately, work begun to alter economic outcomes and address the underlying political framework of the State. In the agricultural sector, the failure to implement the SRA highlighted the competitive nature of the coalition government which likely occurred due to failures of collective action. Politically, a similar failure occurred, however, the stakes were higher regarding the new constitutional dispensation. It took a loss of control of violence to bring most of the powerful relevant groups to the negotiating table. The result was a compromise. This genesis arguably created a new paradigm in the Sub Saharan African region which is explored in Chapter III. In the agricultural sector the new constitution altered the previous framework, devolving aspects of the sector and creating a new structure and institutions that are explored further in Chapter IV.

CHAPTER III

DECENTRALISATION, SERVICE DELIVERY, AND POLITICAL SETTLEMENT THEORY

Introduction

To understand where Kenya's 2010 decentralisation process is to be placed, it was critical to measure it against other states that have undergone the process. This chapter provides a comparative analysis of decentralisation between Ghana, Kenya, and Uganda, highlighting how Kenya in comparison to its Sub-Saharan African (SSA) neighbours pre-and-post the 2010 constitution compares. It is submitted that the genesis and political calculus in the adoption of decentralisation are critical indications of the form that decentralisation may take, and likely outcomes of the process.

Ghana and Uganda were selected as comparators due to their prominence in decentralisation debates in the 1990s when both nations were considered to be making unprecedented strides (Crawford, 2009; Crook, 2003; Francis and James, 2003; Green, 2008; Ndegwa, 2002; Onyach-Olaa, 2003). As highlighted in chapter II, there were fierce debates over decentralisation in Kenya in the first decade after independence and again from 2002, which ultimately led to a change in the role of decentralisation in Kenya post-2013.

In Chapter II, the history of Kenya's decentralisation, agricultural policy and political settlement were covered over the course of five (5) eras. It was noted that decentralisation had played a key role at independence, and once again arisen in the early 2000s when the discourse around political reform was possible. This highlighted that Kenyan decentralisation was a domestically driven process which sought to address the distribution of power. The 2010 constitution as a result of a period of conflict created a critical juncture that accommodated genuine compromise from the center and proponents of *majimbo* (Acemoglu and Robinson, 2012). It is the unique nature of the negotiations and actors that created the opportunity for a decentralisation process that included a majority of Kenya's significant ethnic political actors, from both sides of the aisle, which invariably incorporated political concessions that are not engendered in Ghana's Local Government Act 462 of 1993, or Uganda's 1995 Constitution,[1] and 1997 Local Government Act 243 of 1997,[2] which sets this process apart.

It is recognised that the instrument and political process by which decentralisation was initiated in the comparators is an indication of the trajectory that the process will take overall. In Ghana and Uganda, the genesis around decentralisation demonstrates a clear parallel, despite their unique contexts and

[1] Uganda's 1995 Constitution at Article 176.2(b), Chapter 11, states, "Decentralisation shall be a principle applying to all levels of government and, in particular, from higher to lower local government units to ensure peoples' participation and democratic control in decision making."

[2] This Act established local councils at the district (LCV), municipal (LCIV), and subcounty/division/town council (LCIII) levels as corporate bodies of local governments. Since 1997 the Act has undergone four amendments.

political settlements, namely, in both cases decentralisation was executed by a ruling party and supported by Bretton Woods institutions concerned with democratic institutionalisation. In Ghana the process was driven by Jerry Rawlings' Provisional National Defence Council (PNDC), and in Uganda, it was Yoweri Museveni's National Resistance Movement (NRM). What is apparent is that the political motivations and actors involved in the creation of decentralisation instruments, embedded their political interests, which steered the application of decentralisation in their respective nations towards a political compromise that favoured central interests.

According to Conyers, (2007, p. 24) Africa's decentralisation experience on the whole has been hampered by governments that have been "reluctant to decentralise sufficient power to local level governments to enable them to have significant impact on local service delivery". However, this environment which applies to Ghana and Uganda, to different extents in the creation of their decentralisation instruments was largely not the experience Kenya underwent. This chapter will examine to what extent this statement applies, and how the new Kenyan constitution may have created a precedent that has not been present in the SSA region prior.

Furthermore, this chapter will initially analyse the current debate around decentralisation literature. Thereafter, there will be a disaggregation of decentralisation into various types using sequential theory as a basis of analysis, from political,[3] fiscal,[4] to administrative[5] (Falleti, 2005). By separating the various pillars of decentralisation, the examination will allow for a clarity on the components that shape decentralisation, the preferences at national and subnational arenas, while allowing for a constant comparison and development of insight into the nature of decentralisation amongst the comparators.

Ideals versus the politics of decentralisation

Decentralisation has been advocated as a means to various desired ends. To liberal economists "decentralisation is a way of getting rid of the interventionist and over-extended regulatory or predatory state" (Bardhan, 1996, p. 140). To others, particularly countries with a history of centralisation, it is seen as a means to share the resources of a nation more equitably, be it power and/or resource allocation. Others view decentralisation outside the ambit of efficiency, markets, and power sharing, viewing it as an opportunity for self-governance with the ability to influence service delivery through enhanced accountability mechanisms. However, this dissertation reiterates Steiman's (2004), perspective which states that, "in all its variants, decentralization is about a re-negotiation of the institutions and social arrangements through which power is exercised in different forms. It is concerned with the distribution of power, resources, and administrative capacities through different territorial units of a government or local groups", (Adams and Taabazuing, 2015, p. 92 cite Steiman, 2004). As in Chapter I this definition is fitting for it captures the role of power and its paramount importance regarding distribution.

[3] Political or democratic decentralisation refers to the transfer of power from central government to subnational government, which is endowed with the authority and autonomy to determine their local processes of development (Awortwi, 2011)
[4] Fiscal decentralisation refers to the adequacy of financial resources and autonomy to utilise the same (Jütting, 2005).
[5] Administrative decentralisation refers to a set of policies that create and transfer bureaucratic procedures and functions from national to subnational units (Awortwi, 2011).

Critically, decentralisation involves a transfer of power from central government to subnational units. Historically, the transfer of power from the center as recognised by Falleti (2005) is likely to be resisted, with sequential preferences in the concessions on political, fiscal, and administrative decentralisation, highlighting the nuances in the process. The reality of distribution in Sub Saharan Africa (SSA) has oftentimes evidenced, decentralisation instruments that facilitate recentralization and/or maintain the centre's political dominance, while claiming otherwise, typical talk left walk right (Cousins and Hall, 2014). Uganda presents these features most prominently as will be demonstrated. Cabral (2011, p. 6), found that in Nigeria, Ghana, Kenya (pre-2013), Tanzania, and Zimbabwe among others, central governments "used decentralised structures to consolidate ruling party power and influence at the local level through alliances with the local elite". In these cases, typically decentralisation meant a dilution of subnational power with an increase in reliance on the central government. All this to highlight, that the political reality, context, and role of power are paramount in shaping decentralisation.

Decentralisation and stability

A key argument in favour for decentralisation is stability, especially in relation to security as one of the key expected outcomes espoused by advocates of decentralisation (Diamond et al., 1995; Hechter, 2000). It is expected that decentralisation has the potential to reduce conflict and perceived inequalities in various regions which previously may have been considered disadvantaged (Cameron et al., 2006). Decentralisation achieves this by renegotiating benefits, in order to create political stability. Thus, the previous 'losers' of an electoral process, as was the case in Kenya prior to 2007/8, can be compensated through access to resources at subnational level in a manner that would be more acceptable (D'Arcy and Cornell, 2016). Conflict happens, as with the Kenyan 2007 elections, when 'losers' are not offered, or do not accept the compensation. Decentralisation is considered as a means to quell ethnic conflicts especially in heterogenous[6] states (Faguet, 2014). It is deemed that by seeding political, administrative, and fiscal power, albeit in different proportions in every context, the national government will be able to placate conflicting interests by a provision of power to subnational units.

In the three countries that are examined in this chapter, stability played an underlying role in the rationalisation to decentralise. Kenya resulted directly out of conflict. Whereas, Ghana and Uganda had simmering grievances with respective histories involving civil wars and multiple coup d'états. Critics of decentralisation as a means to enhance stability argue that the common trope, 'decentralisation can diffuse ethnic tensions' is misguided. Claiming that redistributive rents, that don't follow historical distributional trends in some cases can actually exacerbate conflicts (Spina, 2013; Treisman, 1999). Decentralisation has been attributed to creating an enhanced emphasis on regional and ethnic differences, as with the case in Kenya with the 47 counties loosely based on various ethnic communities, or Ethiopia where the federation is based on ethnic states.

Administrative boundaries have the ability to harden ethnic-regional groupings especially in relation to voting. However, no considerable conflicts have resulted in SSA region as a result of division.

[6] Heterogenous in this case refers to nations with significant religious, ethnic, regional identities that are not represented, arguably proportionally at the national level.

Moreover, there are instances where smaller local parties use ethnic politics as the basis of further division, contributing to the administrative fracturing in both Ghana and Uganda. Highlighting the competition between groups in subnational units, that rent-seek to ensure 'their' interests are paramount, which in some instances marginalises ethnic subnational minorities (Kanyinga, 2016). Despite no conflicts arising directly as a result of decentralisation in the SSA region, it certainly has not been a universal balm in relation to conflict prevention.

Decentralisation and democracy

Decentralisation and democracy historically have had a special relationship regarding the SSA region. In the 1980s and 1990s, democratisation was considered to be a means to combat corruption and other state inefficiencies in the region which was also highly indebted. There was an expectation that decentralisation would promote participation if more groups were permitted to share political power. In this period, decentralisation was intertwined in the terms and conditions offered by Bretton Woods institutions in exchange for financial concessions and technical support. Decentralisation became largely synonymous with the democratisation and the reintroduction of multiparty politics that was accepted by numerous SSA nations, as a means of gaining access to international credit to service their debt. It was expected that the democratic outcomes of the process would assist in the integration of democratisation in the region.

Arguably, some of the outcomes in quality of democratisation were questionable. Uganda, once lauded as a leader in the African decentralisation sphere, has serious issues in terms of the validity of elections, which have witnessed the NRM, under Yoweri Museveni remaining in power since 1986. Hence, the argument that considers decentralisation as a means of enhancing democratic outcomes, fails to consider the quality of democratic institutions. Multiparty politics does not mean democracy. Context matters. Arguably, the initial 'successful' uptake of decentralisation in Ghana and Uganda, was due to the ability of the respective executive to align domestic political priorities with the opportunities that development partners were seeking.

Decentralisation is expected to enhance transparency, improve government responsiveness to the demands of local people, increase local competition, strengthen public accountability, create a more equitable distribution of state resources, increase the likelihood of policy stability due to the larger grouping of interests involved, nurture enhanced civic participation especially in relation to electoral accountability, and in some cases, there is an assumption that strong subnational units can provide a counter balance to the national government (Azfar et al., 1999; Bardhan, 1996; Dickovick and Riedl, 2010; Faguet, 2014; Mohammed, 2015; Robinson, 2003; Romeo, 2004; Smoke, 2003).

Conversely, decentralisation has been attributed to elite capture of local subunits. The smaller size, lower rent-seeking costs, and strength of local intermediate groups in some instances permits further exclusion of poor groups at subnational level in favour of elite interests. Moreover, actions by the center to expand and consolidate its realm of influence through alliances with local champions may also narrow the democratic space. There is also the debate that local governments are more subject to corruption, and it has been observed that subnational units are unlikely to oppose the national government unless they are well organised and resourced (Bardhan, 1996; Cabral, 2011; Litvack and

Seddon, 1999). Thus, Treisman, (2004), concluded that there is almost no robust empirical evidence to support the notion that decentralisation improves governance, or assists in reducing corruption. Overall, political decentralisation has no predictable effects on democratic outcomes. This debate highlights how different organisational power among groups may alter the economic and political outcomes that decentralisation is expected to provide (Khan and Sundaram, 2000).

Decentralisation, development, and service delivery

In relation to development and service delivery, what is apparent is the importance of context. Namely, the type of decentralisation, the instrument[7] that embodies the process, the content of the instrument, the means of implementation, and the political settlement that exists, which all affect the outcomes of decentralisation (Conyers, 2007). There are political realities that have a significant shaping influence on the outcomes of decentralisation, with service delivery and pro-poor outcomes being dependent on political-will, and the extent active accountability mechanisms are in place (Crook, 2003; Jütting, 2005).

The proponents of decentralisation envision that service delivery will be enhanced due to an expected synergetic relationship between improved democratic outcomes and public participation. It is anticipated that the incorporation of citizens, through 'responsive' public participatory mechanisms, will strengthen the effectiveness of public service delivery (Suebvises, 2018). It is argued that the proximity of the subnational unit vis-à-vis its constituents is key in enhancing priority needs if the participation is representative and actually considered. To its credit, historically there have been no significant incidents where a decentralisation process has led to a catastrophic decline in service provision or significant downturn in economic performance (Alderman, 2002; Robinson, 2003; Smoke, 2003). However, this argument, discounts debates on asymmetric information in relation to legislatures and citizens, instead highlighting the expectation that the proximity of a subnational government will be translated into better understanding of citizens demands and, reduce information and transaction costs (Bardhan, 1996; Faguet and Sánchez, 2008; Suebvises, 2018).

Furthermore, there is an argument to be made in relation to economies of scale, where more technical activities cannot be carried out by a subunit due to capacity limitations. This ties in with debates on diminished human resource capabilities at the subnational level which hamper services that were previously provided by a central institution. In some instances, lack of capabilities negatively affects fiscal coordination, leading to inefficiency, wastage, delays, and confusion around taxation when the same groups are taxed by the national and subnational governments. It has also been observed that decentralisation can make coordination of policy implementation more complex with markedly varying interpretations and outcomes. Finally, there are macroeconomic risks that pertain to the growth of the public sector through decentralisation, as witnessed in Kenya where stagnation in development was attributed to the "high personnel emoluments and frequent delays in the disbursement of the equitable share of revenue by the National treasury" (Kimanthi, 2018).

[7] This refers to a legal instrument. This may range from an Act of Parliament to a Constitutional provision.

However, some proponents of decentralisation highlight the diversity of outcomes as a major advantage of decentralisation: innovations that are seen to work in one place can then be adopted elsewhere (Bardhan, 1996; Cabral, 2011; Crook, 2003; Smoke, 2003). Subnational positive deviance has created local innovation that has been scaled-up by the center and adopted in other parts of the country, as evidenced by the Chinese agricultural transformations with the introduction of the 'Household Responsibility System' (HRS). HRS began in drought prone Fengyang County, Anhui Province in 1978, however due to its success, the policy was scaled-up nationally (Cai and Treisman, 2006; Ochieng, 2007). Cao et al., (1999, p. 124) echoing Supreme Court Justice Louis Brandeis's famous characterization of American Federalism as, 'a laboratory of the states', refers to Chinese reforms being reliant on "the laboratory of local governments". Policies like the HRS demonstrate the potential innovative space that can be offered by decentralisation when local government is responsive to local needs.

It is noted that the initiation of the process of decentralisation is usually political. Moreover, the type, depth and application of decentralisation will also usually be dictated by the overriding political realities that persist (Parker, 1995). Decentralisation is not exogenous to the political and economic realities of a state, as Chweya Ludecki (2004) noted:

> "A country can adopt decentralised structures but fail to realise development. Conversely, a country can achieve breakthroughs in development at the local level under highly centralised, even authoritarian, administrative structures. There are two main reasons for this. One is that the actual effects of decentralisation depend on a number of factors, including the type of public service concerned, the detailed 'design' of the decentralisation, the way in which it is implemented, the capacity of the various individuals and organisations involved, and the wider economic, social and political environment. The other is that decentralisation is not the only factor that affects service delivery. Other government policies and the broader policy environment are often equally, if not more, important" (Ludeki, 2004, p. 19 cited in Conyers (2007, p.20)).

As a result of the variation in the implementation of decentralisation, what has resulted is an ambiguity as to whether decentralisation actually enhances or hinders economic growth, with information costs not enjoying universal symmetry, due to varying incentives and compulsions that may alter actual public participation and delivery therefrom.

A contemporary comparative analysis of decentralisation: A new front (Kenya); stagnation (Ghana); and regression (Uganda)

In this next section a comparative analysis is conducted in Ghana, Kenya, and Uganda. A historical backdrop is provided on the respective nations' decentralisation processes. This acts as a precursor to the analysis on decentralisation which engages political, fiscal, and administrative decentralisation. It was rationalised that a separation in the analysis would provide further clarity on the state of decentralisation, while conforming to sequential theory propositions that highlight the different weighting of the subsectors. Overall, it is a political calculus that usually determines the initiation, provisions, implementation, and outcomes of a decentralisation process. Decentralisation usually is part of the reflection of power in society (Ahmad et al., 2005). In SSA nations, the results of this

political precedent in the formation of a decentralisation process has varied. The genesis of decentralisation, referring to the context which leads up to the political decision to create an instrument, is considered fundamental to the outcomes in all three subcategories (political, fiscal, and administrative). Whether, decentralisation is incremental over time, or seemingly immediate, it is the context of these SSA nations, the form and arguably, earnestness that decentralisation takes initially(Cheeseman et al., 2016; Ndegwa, 2002). This section engages with the history and outcomes of the process.

Kenya

Decentralisation has been a core theme of Kenyan politics since negotiations leading up to the transition of power, from the colonial administration to KANU in 1963 as captured in Chapter II. A common recurring divisive trait in the nature of the Kenyan political settlement is the perceived and real distributions of state resources in the form of rents to ethnic groups that were from the executive's tribe and/or allies at the expense of the majority.. In practice, since the late 1960s, rent distribution has favoured Central and the Rift Valley provinces, effectively emphasising the notion of growth at the expense of equality. This has excluded various tribes, the most prominent being the Luos, as elaborated in Chapter II.

By 1970, amendments to the constitution removed any salience of *majimbo*. This was achieved mainly by power-sharing deals with the proponents of federalism, which saw the merging of KANU and the Kenyan African Democratic Unity party (KADU). The 1970 constitutional amendments withdrew KADU's propositions that foresaw a system of governance based on eight (8) autonomous regions established on the existing provinces, leading Kenya down a unitary system of governance until 2010. This unitary system favoured a strong executive, what is sometimes referred to as an imperial presidency, with patronage and rents distributed within the KANU elites and tribal strongholds, eventually leading to its economic downturn (Steeves, 2015).

In the period dominated by KANU (1963-2002), the administrative framework prior to independence remained relatively the same. Kenya remained divided into eight (8) provinces, with districts being the key administrative subnational unit below them. After 1963, the Provincial Administration (PA) was transferred to the Office of the President (OP). This created a direct link between the executive and local governance structures. The hierarchy that was established from the bottom began with: Sub-Chiefs; Chiefs[8]; District Officers (DOs); District Commissioners (DCs); and Provincial Commissioners (PCs) that were the head of administration, with quarterly meetings with the executive. These administrators acted as representatives of the executive, linking State House to the smallest administrative unit.

In 1965, the PA role was enhanced when it was also provided with the responsibility of development within its respective jurisdictions. This role was often challenged by legislators that considered the PA an extension of the executive, rather than an office they could instruct within their constituencies. The political insulation of PAs from local pressure created an overreach which was maintained, with some

[8] The roles of Chiefs after 1965 were primarily maintenance of law and order and the collection of taxes.

of the most blatant displays of overextended power in their role as electoral returning officers, in a context where vote rigging was prominent (Gretzel et al., 1969).

Notably, by 1985 Moi had largely succeeded in merging state and party. "KANU declared itself constitutionally superior to Parliament and used its disciplinary powers to bar individuals who criticized policy from electoral politics" (Widner, 1992, p. 132). During Moi's tenure representative elections were still held, however there were considerable disadvantages imposed on non-KANU representatives, such as restricted rallies, and sanctions on criticism of the executive. Moi, in 1986 instituted that elections should be held by public queuing rather than a secret ballot, which ultimately hindered voters of opposition due to fear of reprisals. These measures and others like it, such as PAs responsibility to issue permits for opposition rallies, were eventually extinguished with the reintroduction of multiparty politics, by an amendment to Article 2(a) of the 1968 Constitution, which permitted opposition parties.

During KANU's tenure (1963-2002), administration remained strongly centralised, some initiatives presented as "decentralisation" notwithstanding. One such example was the District Focus for Rural Development (DFRD),[9] a development strategy launched in 1983. This strategy aimed to provide a 'bottom-up' approach by focusing functions and duty of execution at the district level by transferring considerable powers from the ministerial and provincial levels (Rutten, 1990). The theory was districts would become the center for planning, development, and implementation, through the District Development Committee (DDC). In practice, however, instead of decentralising functions, the DFRD emphasized PA control and enhancing the role of the DC. It is noteworthy that the DDC was chaired by the DC, which was a form of deconcentration rather than administrative devolution. Moreover, as with the previous 1969 Special Rural Development Plan (SRDP), despite the authority to plan, resources and budgeting were still centrally controlled. Therefore, throughout this period, fiscal and political decentralisation did not occur to the extent where decentralisation can claim to have effectively occurred.

The significance of the 2003-2013 era is that its reshaping of decentralisation in Kenya. The 1980s-2002 era witnessed a failure in the reproduction of net benefits to the holding power of the ruling party, compounded by significant elite[10] and intermediate groups outside the ruling coalition that were dissatisfied with the existing political settlement (*figure 5)*. Thus, when KANU members left the party, they already had an organised political coalition to challenge the Moi regime. Invariably, this contributed to the electoral loss of the ruling coalition 'party state', in 2002. The Moi presidency highlighted the political and economic risks of a powerful executive. The unitary nature of the state was repudiated by many and considered as the source of Kenya's inequality. Hence, when KANU was challenged by Mwai Kibaki, it was on the grounds of economic and political reform.

However, in 2005 a section of government that favoured a unitary approach drafted a constitution which retained the majority of existing powers at the centre. This decision was contested and defeated

[9] This strategy superseded the Special Rural Development Plan (SRDP) 1969.
[10] A few examples: Charles Rubia and Kenneth Matiba, Martin Shikuku, Kimani wa Nyoike and Masinde Muliro. These individuals also represented their communities and important commercial interests in the country. Hence, Moi did not directly attack them.

by referendum, contributing to the 2007/08 electoral contest. The resultant outbreak of violence plus the intervention of local and international power brokers eventually brought the government and opposition to come to a consensus. The grand coalition government[11] developed the 2010 constitution, which was a representation of the median expectations of a wide range of key relevant political actors. It is this specific set of circumstances that have made the Kenyan devolution process arguably the most concerted and advanced decentralisation process in the SSA region. What is important is the history behind decentralisation, the representative nature of the process and instrument that was created to enforce the agreement.

Ghana

Since independence in 1957, Ghana has had variants of decentralisation.[12] Like Kenya and Uganda, being a former British colony, left a legacy of unitary preference. The means to address this took different approaches. In Ghana, early on the focus was around administrative deconcentration, without political and fiscal decentralisation. Administrative deconcentration aimed to deliver services to the nation, through institutions that were nationally governed, such as parastatals and agencies (Awortwi, 2011). Mismanagement and corruption enhanced the military's grounds for take-overs and rule (1966-69; 1972-79), with short period of democratic rule (1969-71; 1979-81).

In 1974, the National Redemption Council (NRC) a military regime, under NRC Decree 258, "abolished the distinction between local councils and [Central Government] bodies at the local level and created a single structure called the district council and assigned to it the responsibility of the totality of government at local level" (Awortwi, 2011, p. 357). This experience arguably informed Flight Lt Jerry Rawlings in relation to future engagement with decentralisation.

Ghana's experience with multiple coups and changes from military to civilian rule and back,[13] culminated in a military leader whose slow democratization process gave rise to a robust two-party system. Historic disunity among Ghanaian political elites primarily resulted from the diversity in social status and background of elite groups. Svanikier, (2007) refers to two competing political traditions - Nkhrumahist vs. Danquah - which emerged during the late colonial period:

> "The Nkhrumahist tradition…is perceived as ethnically and socially inclusive, broad-based, populist and left-wing, [while] the Busia/Danquah tradition… is perceived as elitist, ethnically exclusive, liberal-democratic and right-wing. At the leadership level both traditions have representatives from all the main ethnic groupings although political parties in the Nkrumahist tradition have tended to have more diversity at the top. Highlighting that the political cleavages that divide Ghanaian politics go beyond ethnicity and include historical, social and ideological ones" (Svanikier, 2007:130).

Following a period of dominant party rule under Rawlings, a Nkhrumahist, who led the Provisional National Defence Council (PNDC) during the 1980s, Ghana began to make a gradual transition back

[11] National Reconciliation Accord No.4 2008.

[12] Some argue that decentralisation in Ghana began as early as 1878, with indirect Colonial British rule (Ayee, 2004). Others have referred to attempts at local self-government from "indigenous rule' (Rattray 1929) to 'territorial and local councils' (Zanu 1996)" (Adams and Taabazuing, 2015, p. 89).

[13] Jerry Rawlings– 1st *coup d'état* -AFRC (04.06.79 - 24.09.79); 2nd *coup d'état PNDC* (31.12.81 – 1993; & Elected Office January 1993-2001.

to multiparty politics. The PNDC which executed executive and legislative functions announced in September 1981, that "power will not be concentrated at the top anymore"[14] (Yeebo, 1985, p. 66). In December 1982 they issued an eleven (11) point decentralization plan, designed to alter the national-subnational relationship, enhance democracy, create efficiency in service delivery, and promote the grassroots (Awortwi, 2011).

Despite this aspirational document, political decentralisation was side-lined throughout the 1980s. During this time Ghana grappled with multiple crises (hunger, returnees, macroeconomic and fiscal failure), plus the unpopularity of Rawlings, which meant that he felt compelled to maintain political power. "To fulfil its promises on democracy and in response to pressure for a return to multiparty democracy, the PNDC introduced a decentralisation policy creating District Assemblies" (Whitfield, 2009, p. 52) The promulgation of the PNDC Local Government Law 207 in 1988 initiated formal institutional decentralisation. This was eventually superseded by the adoption of the forenamed Law into Chapter 20 of the 1992 Constitution,[15] and the Local Government Act (Act 462) of 1993 which capped term limits, democratised the political landscape further,[16] and enhanced the decentralisation framework (Gilbert et al., 2012).

Ghana's Fourth Republic was established by an amendment to the constitution, following negotiation between elite groups through formal institutions such as the Inter-Party Advisory Committee (IPAC) (Abdulai and Hickey, 2016). The effect of these instruments[17] was to establish an electoral cycle, where power may be legitimately contested. Ghana was structurally divided into ten (10) administrative regions, namely, Regional Coordinating Councils (RCCs), *figure 12*. "Each region is led by a Regional Minister appointed by the President. The Regional Minister is the Chairman of the RCC. Below the Regional level are the District Assemblies totalling 170, which are either metropolitan (with a population over 250,000), municipal (one town assemblies with a population over 95,000) or district (with a population over 75,000)" (Adams and Taabazuing, 2015:89). The local government system in Ghana is thus made up of an RCCs, and a four-tier Metropolitan and three-tier Municipal and District Assemblies (MMDAs)[18] that are determined by the size the population (*figure 12.)*. Notably, MMDAs are the most important subnational units within the Ghanaian decentralisation framework (Ayee and Dickovick, 2014). The critical points are RCCs, District Chief Executives (DCEs) that are the political heads of MMDAs, and heads of parastatal boards are appointed by the president. Whereas, two-thirds

[14] The first edition of the organ of the JFM, the Workers Banner, published in September 1981: "These committees of the ordinary people will hold mass meetings such as durbars of the other ranks in the barracks or people's congresses in the towns and villages, on the farms, in the factories, mines, shop floors, everywhere to debate national issues and take decisions affecting the lives of the ordinary people. That is why the people's committees represent the highest form of democracy - grassroots democracy - because through them all the people will participate in taking vital decisions and in running the country. This way, power will not be concentrated at the top anymore, and nobody at the top can enslave us because there is no way anybody at the top, whether he is a saint, or a devil can do what he likes. Budget proposals will be debated by the farmers in their villages, the workers in their factories, mines and on the shop floors, the soldiers in their barracks and their collective decisions will become the law of the day"(Yeebo, 1985, p. 66).

[15] "The State shall take appropriate measures to make democracy a reality by decentralizing the administrative and financial machinery of government to the regions and districts and by affording all possible opportunities to the people to participate in decision-making", (Government of the Republic of Ghana, 1992 Art.35.6(d)).

[16] Multiparty elections due to changes in the constitution (1992), after a referendum in 1991, permitted the incumbent to successfully run for 2 more terms.

[17] Chapter 20 of the 1992 Constitution and the Local Government Act of 1993.

[18] There were 170 Districts with elected MMDAs in 2018.

of the members of DAs are elected members, the remaining third are "chosen by the government from among civil society members, in consultation with the district secretary (who was appointed to head the DA by the president) and the traditional chiefs" (Gilbert et al., 2012, p. 109). Overall, the structure provides the executive with considerable powers despite the formal decentralisation.

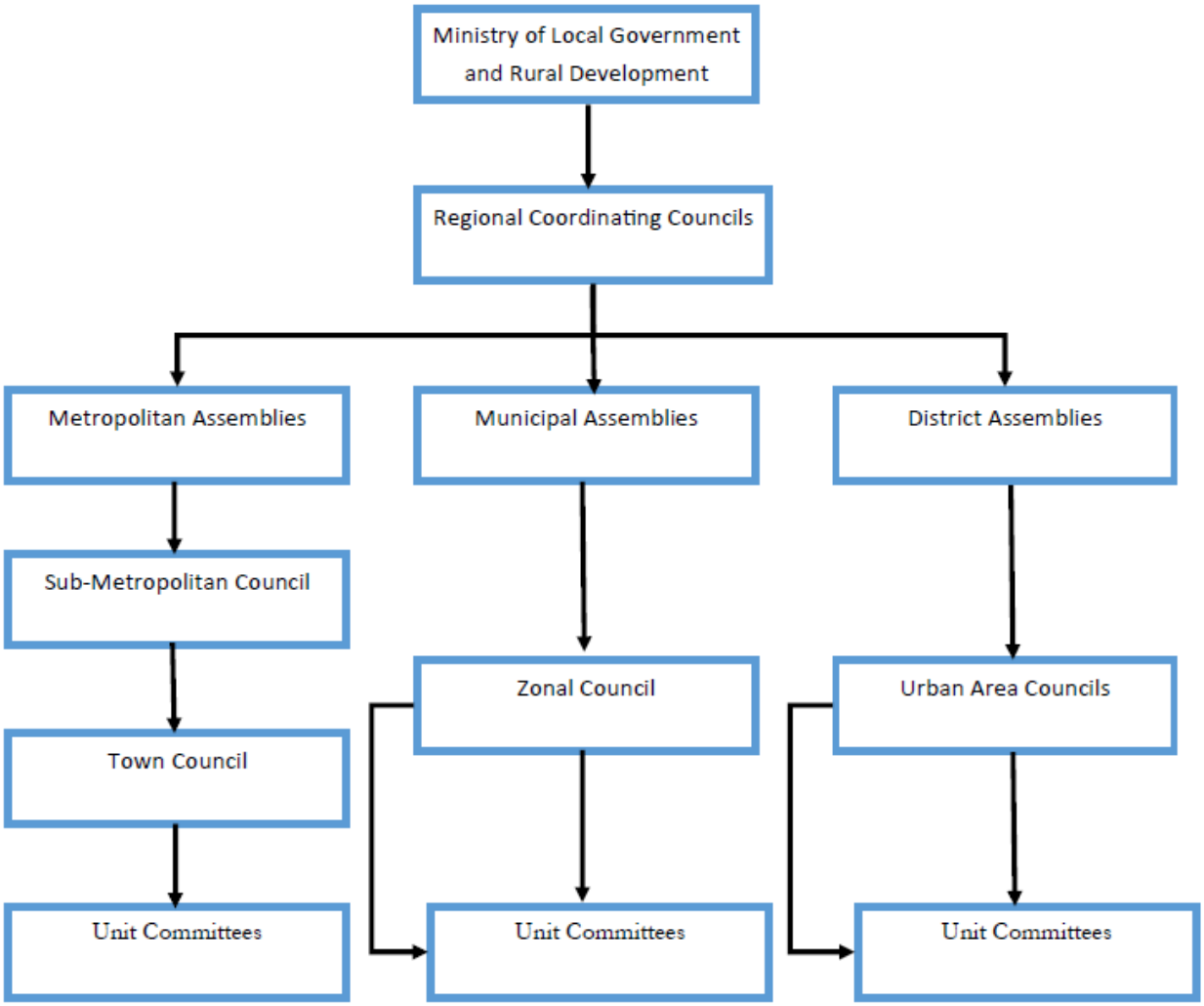

Figure 12. Local Government Structure
Source: Ministry of Local Government and Rural Development (MLGRD), 2005)

One of the key outcomes of the new constitution was the continued formal institutionalisation of the decentralisation process and competitive multiparty elections. In 2000, Rawlings' party, the National Democratic Congress Party (NDC), now led by his successor John Atta Mills, lost a general election to the main opposition party, called the New Patriotic Party (NPP).[19] Since then, there has been a revolving door used exclusively by the NPP and NDC, with NDC returning to power in 2008 and

[19] The New Patriotic Party is considered as an offshoot of the United Gold Coast Convention (UGCC), which effectively evolved into the Northern People's Party in the late 1940s, the United Party in the early 1950s, the Progress Party in the late 1960s, the Popular Front Party in the 1970s and the All Popular Front in the early 1980s.

NPP in 2016. Prior to the NPP's victory in 2000, there were allusions to changes in the decentralisation process. One of these concerned the role of District Chief Executives (DCEs). It was intimated that NPP would turn this into an elected office. However, this did not occur, with "President [John] Kufuor's attempts to shore up the NPP's control of Parliament and his own political support base in the party…weakening the legislative and oversight functions of Parliament" (Whitfield, 2009, p. 67).

The role of DCE was a means to transfer benefits and maintain political control over subnational units. The loss of executive authority in selection, and the risk that subnational units with elected DCEs could potentially provide opposition parties with the opportunity to establish local powerbases, arguably altered NPPs stance. Hence, since the early 1990s, the Ghanaian decentralisation process has largely stagnated with both the NPP and NDC being unwilling to relinquish control over DAs where power resides with DCEs. Moreover, with the relatively short-term limits, and elections being treated as an accepted means of transference of power, what has occurred is administrative deconcentration with significant control over fiscal and political decentralisation vested at the national level.

The failure of both parties to alter the status quo thus far demonstrates that there is a political calculus that benefits central control, no matter which side of the aisle political power resides. Debates suggest, that the costly nature of multiparty politics in Ghana has had the unintended effect of driving up the cost of running for political office, which requires a form of repayment, which frequently takes the form of patronage, hence another reason to be motivated to retain the DCE position (Asamoah et al., 2014; Asante et al., 2018).

Uganda

Uganda's decentralisation process, like Ghana's, stood out as a precedent for decentralisation in Africa in the early 1990s. Prior to Ugandan independence in 1961, there were 11 districts which were governed by a District Governor, who in some instances appointed traditional chiefs in some capacity to administer the British Protectorate of Uganda. In a form of co-opting, the British permitted limited amounts of local governance with Uganda's major ethnic groups. This recognition of tribal importance is present in all the comparators. In the case of Uganda, it was in relation to the recognition of the Kabaka,[20] from the Buganda tribe which has persisted even under President Yoweri Museveni, as a clear example of informal institutional power structures informing the framework of formal power.

In 1979, Milton Obote returned to power after Tanzanian troops overthrew the Idi Amin regime. Obote re-established the Urban authorities that were previously in place, by abolishing the 10 military provinces. In 1980, a disputed election won by Obote's Uganda People's Congress (UPC), prompted Museveni to form the National Resistance Army (NRA), which began a five year violent struggle against the incumbent, successfully overthrowing Obote and establishing a 'non-party' system in 1986 (Kauzya, 2007; Smoke et al., 2014).

[20] The Kabaka is the traditional material King of the largest ethnic group in Uganda, the Buganda.

One result of the civil war was diminished local administrative capacity. As a means of providing security, especially in NRA controlled areas, Museveni formed Resistance Councils (RCs). Arguably, the first contemporary formal enactment which centred around the decentralisation agenda was the 1987 Resistance Council/Committees Statue, which provided RCs with powers of jurisdiction at subnational level (Bashaasha et al., 2011). The 1993 Resistance Council Statute maintained and created the framework of Ugandan decentralisation. The legacy of the Resistance Council Statute and other relevant legislation were eventually incorporated into Chapter 11 of the 1995 Constitution[21] (Manyak and Katono, 2011). Moreover, constitutional provisions on decentralisation at Article 176.2(b)[22] repealed the 1993 subnational statute, replacing it with the Local Governments Act 1997.

The new constitution claimed to be formally committed to decentralisation as a form of governance. The Local Governments Act of 1997[23] cemented the decentralisation agenda, placing Uganda at the forefront of the decentralisation narrative in Africa. At this stage[24] both Ghana and Uganda were perceived to be promoting the most dynamic thoroughgoing forms of decentralisation in Sub-Saharan Africa. The Local Governments Act 1997[25] established Uganda's new structure, "under this law, the village council, also known as Local Council [LCI], … is the lowest unit of administration. Villages are combined to form a parish [LCII], and parishes are combined to form a subcounty in rural areas or town council in urban areas [LCIII]. In urban settings, town councils are combined to form a municipal council [LCIV]. A district council [LCV] is then formed by combining LCIII and LCIV local governments" (Manyak and Katono, 2011, pp. 12–13). *Figure 13* below illustrates the new structure described above, though it is notable that the district is the most powerful institution and the focus of the analysis.

[21] Ugandan Constitution, (1995), "The state shall be guided by the principle of decentralisation and devolution of government functions and powers to the people at appropriate levels where they can best manage and direct their own affairs".
[22] Ugandan Constitution (1995) "Decentralisation shall be a principle applying to all levels of local government and, in particular, from higher to lower local government units to ensure peoples' participation and democratic control in decision making".
[23] "The new law was based on Uganda's experience under British colonial rule, the governing structure created by President Museveni's NRA during the guerrilla war, and the continuing interplay of ethnic and religious conflicts" (Manyak and Katono, 2011, p. 12).
[24] Mid-to-late 1990s.
[25]"The 1997 Local Government Act decentralized social services, including education. The act provided for five levels of local government: village, parish, sub-county, county, and district. The district and sub-county levels have political authority and significant control over resources. District councils have autonomy over primary and secondary education, primary health services, and basic services in water provision, roads, planning, and licensing. Each district has the authority to formulate, approve, and execute its own development plan. Primary education, community-based health services, hygiene, and low-level health units were devolved by districts to lower-level councils"(Bashaasha et al., 2011, p. 7 cite Azfar et al. 2000).

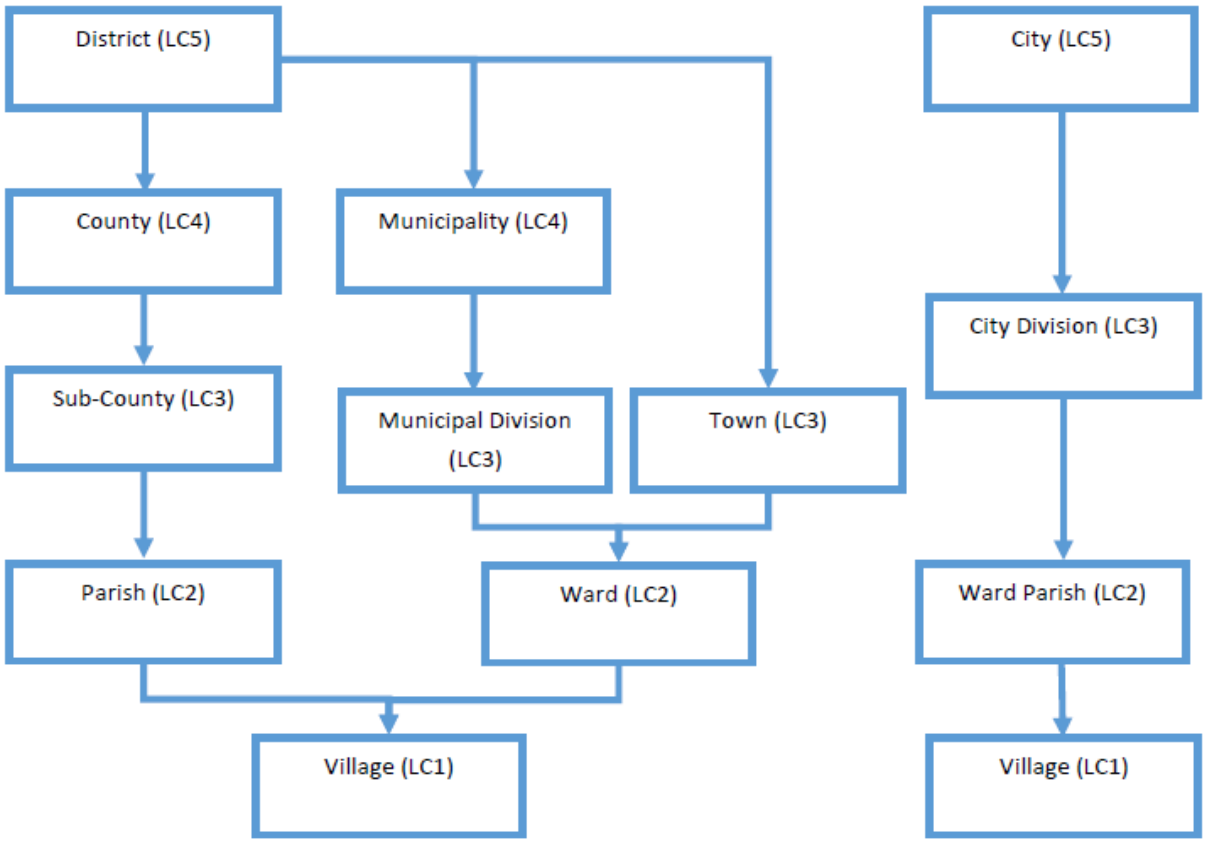

Figure 13. Uganda's 5 Tier Local Government Administrative System
Source: Steiner (2006)

In Ghana, the process of decentralisation was driven almost entirely by the PNDC and Rawling's agenda. In Kenya, the negotiations around the form of decentralisation involved the political representatives of a majority of the powerful communities in 2008-2010. Whereas, in Uganda, after the assumption of power by Museveni in 1986, the NRA reorganized into the National Resistance Movement (NRM). In 1997, two instruments, the Movement Act and the Movement (Elections) Regulation Act, passed making each Ugandan a member of 'The Movement'.

The initiation of 'The Movement' included subsuming previously banned political parties under the NRM umbrella, which was justified on the grounds of national cohesion after the history of civil strife. "While some party leaders opposed the 'no party' system, Museveni's personal popularity and the euphoria of the moment swept them aside. Moreover, the Democratic Party (DP) and the Uganda People's Congress (UPC) were part of the broad-based government of national unity at that time" (Manyak and Katono, 2011, p. 13).

By the early 2000s Museveni's popularity began to wane, spurring a call for the return of multiparty politics. This went to a referendum in 2005, lifting the previous ban on multiparty political voting. The result also included an amendment to the constitution which removed the legal encumbrances to

Museveni standing for additional terms despite the two 'elections'[26] that he won within 'the movement' prior to the return of multiparty politics. In 2006, Museveni won the elections and retained a majority of the seats in parliament. This feat was repeated in 2011 and 2017. In 2018, the then 73-year-old president passed a bill through parliament that removed age limits[27] of the presidency, providing himself with the latitude to seek re-election in 2021 (Al Jazeera News, 2018).

The NRM's grip on executive power has arguably also come at the expense of the decentralisation agenda. Initially, the general objectives of Ugandan decentralisation was to enhance stability and respond to local needs. However, after what seemed to be a promising start, there had been few changes in social services and quality of life. Most "indicators have either remained the same or worsened. For example, a large proportion of Uganda's population still lives below the poverty line, with 25% living in absolute poverty" (Ssonko, 2013, p. 41).

In the sections below, the political, fiscal, and administrative dimensions of decentralisation in the three countries will be examined. Building on the backdrop of the descriptive analysis above, sequential theory will be applied to gauge the nature of decentralisation among the comparators. To recall the basic premise, the ideal preference of a national executive is (A) administrative to, (F) fiscal, which in is preferable to (P) political decentralisation, or A>F>P. Whereas, subnational units aim for the converse, P>F>A. The basic rationale is predicated on the notion that national governments are more likely to transfer duties and responsibilities (A), prior to the resources to meet them (F). If the center is forced to choose between political and fiscal, it is likely to defer on fiscal, maintaining political authority (P) that may be deployed to control how resources are utilised at subnational level (Falleti, 2005).

Political Decentralisation

Political or democratic decentralisation refers to the transfer of power from central government to subnational government, which is endowed with the authority and autonomy to determine their local processes of development (Awortwi, 2011). In the casting of decentralisation, political decentralisation is a key indicator on the concertedness a national government has towards the process (Faletti 2005). Political decentralisation is also likely to produce a policy ratchet effect (Huber and John, 2001); in other words, to create a space in which subnational political actors continue to seek further decentralisation, based on the 'freedom' they have already acquired. This effect has been evidenced in Kenya with the CoG which has called for higher allocations of national revenue, and a larger mandate in relation to control of current national functions. However, what is critical about political decentralisation is that it provides subnational units (the extent being contextual), with the ability to determine their priorities and agenda, with an expected reduction in reprisal from the center. Thus, in relation to sequential theory, it is theorized that central governments are least likely to politically

[26] Despite international observers accepting the results, as with Kenyan and Ghana, the incumbents were accused of rigging and using state machinery to ensure the results. Though this cannot be wholly proven it should be noted. In the "no-party" presidential election in 1996, Museveni defeated Paul Ssemogerere and Mohamed Mayanja emphatically. In 2001, Museveni won by a substantial majority, against Kizza Besigye.

[27] Previously the limit was set at 75.

decentralise as this means actual provision of authority to a subnational entity (Awortwi, 2011; Falleti, 2005).

Political leadership from the Center

Ghana

Despite the Constitution[28] of the Fourth Republic mandating that parliament should legislate to devolve power to the grassroots, and despite the Local Government Act 462, providing District Assemblies with the responsibility of attending to various public functions, what has occurred in Ghana, is limited political decentralisation (Debrah, 2014).

The genesis of the Ghanaian decentralisation process was driven by the PNDC. This was a process that favoured a decentralisation that maintained a strong executive while providing limited resources to subunits. Evidence of centralized executive control of subnational units has been demonstrated mainly around the power of political appointment: president appoints heads of parastatal boards; the president appoints the regional minister in each region from among members of parliament; the president appoints all District Chief Executives (DCEs)[29] that are the political heads of MMDAs; the 1992 constitutional provision at Article 242(d) provides that, 30 per cent of all members of District Assemblies shall be appointed by the President in consultation with traditional authorities and other interest groups in the District (Debrah, 2014, p. 57; Gilbert et al., 2012; Mohammed, 2015, p. 179). Furthermore, "MMDA members are nominally non-partisan, as candidates are not sponsored by political parties. The stated aim is to ensure consensus building and promote development, but evidence suggests presidential administrations routinely appoint copartisans" (Ayee and Dickovick, 2014, p. 94).

The mentioned structures provide the ruling party in power with a strong position to politically influence subnational units. Arguably, the national narrative will likely dominate subnational agenda, with diminished local accountability as appointed officers are not beholden to an electorate, and/or a mandate set out during a campaign, as with Governors and MCAs in Kenya, who are elected. Overall, out of the comparators Ghana had the most extensive forms of deconcentration and political centralization in favour of the national government's interests.

The employment of political functionaries has become a typical example of how political patron client relationships operate as a rent transfer. It is important to also understand that in 2000 the NPP reform agenda included the restructuring of the DCE position as mentioned earlier, from an appointed to elected office. However, once in power maintaining control over DCEs arguably proved more important. An alteration creating an elected office for the DCE would have been a major step towards local accountability in the MMDAs, weakening central government influence over subnational units

[28] Ghanaian Constitution at Article 35.6.(d)," The State shall take appropriate measures to make democracy a reality by decentralizing the administrative and financial machinery of government to the regions and districts and by affording all possible opportunities to the people to participate in decision-making".
[29] The DCE Chairs an executive Committee comprised of one-third of the MMDA members.

while enhancing the decision-making process of MMDAs, however, as mentioned, both sides of the aisle have failed to alter the status quo (Debrah, 2014).

Notably, elected local assemblies, such as MMDAs in Ghana or county governments in Kenya, can potentially provide opposition parties with opportunities to establish local power bases, if they demonstrate their ability to run a local administration well. Using the same as springboard for campaigning in national elections, which has been evidenced with governors in Kenya. However, this has not been the case in Ghana, due to power residing with the appointed DCEs, and not the MMDAs. The reluctance to relinquish control over DAs by both NDC and NPP executives, permitting them to select DCEs ensures that regional threats are minimised. In the case where an ambitious politician uses the office as a platform, the executive would still get to choose their potential competition.

Ghanaian and Ugandan decentralisation processes are both arguably systems that were initially designed by a National government in favour of its political aims. Ghana provides the emblematic case of apparent increased electoral accountability through competitive local elections, but with limited political decentralisation in practice. Ghana's political decentralisation process has seemingly fermented[30] without any notable changes despite the revolving door of political party change between the NPP and NDC. This is likely, due in-part to both parties valuing the positions they hold in local government while in opposition, which contributes to their political sustenance (Crawford, 2009; Riedl and Dickovick, 2016).

Uganda

The 1995 Constitution and 1997 Local Government Act made the district to be the most important subnational entity. Districts are governed by Councils, which are the highest political authority within their respective jurisdictions, endowed with legislative and executive powers (Government of Uganda, 1997, sec. 10). Councillors, who represent constituencies, are elected by universal adult suffrage. Councils have an executive arm and statutory bodies[31] which provide considerable administrative latitude for the subnational units to operate. Within this framework Chief Administrative Officers (CAOs), are the principal technocrats in the district, enjoying executive powers as the head of public service and accounting. This provides them with considerable political control over councillors (Government of Uganda, 1997, sec. 64). This role is critical to the autonomy of subnational units being similar to the Ghanaian DCE.

Prior to 2005, CAOs were Councillors who were appointed to the role of CAO by the District Service Commission (DSC) at district level. In 2005, the same Constitutional amendment[32] that removed presidential term limits also altered their appointment at Article 188 of the Constitution, recentralising the process, moving the function from the DSC, to the Public Service Commission based in Kampala.

[30] This term refers a form of institutional stagnation, and how the duration in which certain conditions exist influences their resilience to change.

[31] "The District Service Commission in Charge of recruitment and firing of LG civil servants [LG s.55]…the Public Accounts Committee which is responsible for acting on LGs' audit reports [LG s.88]…the District Land Boards in charge of land issues [LG s.60]…and the LG Tender Board, which is responsible for procurement [LG s.92]" (Onyach-Olaa, 2003, p. 106; Government of Uganda, 1997).

[32] Constitution (Amendment) Act, No.11.

The justification for the amendment, was that there was need to root out corruption associated to the position, by taking control of the process at the center, however, this move arguably undermined local autonomy (Green, 2008; Ssonko, 2013).

The parallel that may be drawn here is that both Museveni and Rawlings,[33] leading up multiparty elections, altered formal institutions that provided political autonomy at subnational level to shore up national influence. The wresting of control of the CAO appointment to central level was arguably a form of political opportunism that undermined the decentralisation process. It is a form of deconcentration, contrary to any arguments from the center claiming good governance and enhanced service delivery. This hollowing out of subnational autonomy notably occurred before the 2006 elections highlighting the likely political motivations Kampala had in relation to the amendment. Notably, this was not the only critical office to be scuttled.

Each district has a Resident District Commissioner (RDC), whose role involves the coordination of government services in the district (Government of Uganda, 1997, secs. 70–71). They essentially act as a bridge, a civil servant appointed by the national government to oversee, report and work with the local elected District Chairperson. Section 71(3) of The Local Government Act (1997), provides that RDCs "advise the district chairperson on matters of a national nature that may affect the district or its plans or programmes…". It is noteworthy that "in districts where the District Chairpersons belong to the opposition there have been conflicts with RDCs which negatively affects the district's development"(Ssonko, 2013, p. 40). RDCs are appointed by the president and have historically supported the NRM. This has created potential oversight and conflict at the district level between the roles and responsibilities of RDCs, and District Chairs, providing the center with another mechanism by which to dilute political decentralisation.

Appointing both the CAO and RDC places the national government in a position to wield significant political influence within districts. This lack of local autonomy mirrors that of Ghana and Kenya pre-2010, where it was demonstrated that the national government has a considerable influence in the political outcomes at subnational level. It is recognised that Ghana has a process of political decentralisation that goes beyond appointment of critical administrative staff, by ensuring 30 percent of the subnational elected representatives are from the party, and RCs are appointed by the president. However, in both countries the effect, however different the contexts, is the same. Subnational units find themselves undermined in terms of authority and autonomy by national governments, despite their rhetoric on pro-decentralisation.

Kenya

In contrast to Ghana and Uganda, in Kenya since 2013, there has been a credible political decentralisation process in which genuine autonomy has been devolved to the 47 counties. Within the county, the County Executive and Assembly are the most important organs of power.

[33] In 1992, Rawlings oversaw the promulgation of the Ghanaian constitution and decentralisation process. This process driven by the NDC largely favoured central political control of subnational units.

Prior to 2013, it was Provincial Administrators that wielded political clout within Kenya's subnational administrations. Like RCCs and DCEs in Ghana, Provincial Commissioners (PCs) and District Commissioners (DCs) were appointed by the president. Thus, district and provincial administration were merely an extension of executive reach and patronage (Hassan, 2014; Steeves, 2015). Indeed, Kenya possessed a quality that Zolberg (1968), assumed was remote to the African context, namely, the ability of a national government to also have strong peripheral links that contributed to the holding power of the ruling elite (Branch and Cheeseman, 2006).

Notably, in 2013 Kenya did not become a federation, as proponents of *majimbo* had wished. However, power was decentralised. The 2010 constitution was a political bargain between two historically polarised standpoints which eventually compromised on devolution. The head of the county executive, the governor, is elected by county constituents. This also applies to the legislative body where Members of the County Assembly (MCAs) act as the legislative oversight to the local executive. Both these positions being elected, in addition to the legal provisions[34] that have provided for wide discretion in relation to development and implementation priorities, has meant that formally, the national government has little in terms of political leverage at the subnational level. Unlike in Ghana and Uganda, in Kenya, locally elected officials are accountable primarily to their local constituents, rather than to their party and/or executive, in terms of service delivery. This does not guarantee efficiency or responsiveness, however, failure to tend to local needs is likely to ensure their political demise at the next election (Manor, 1999).

Subnational autonomy has translated to the prominence of the office of Governor, which is highly coveted at the subnational and national level, which also potentially acts as a springboard towards challenging for national appointments, or even the executive. There have been attempts by the Senate[35] since 2013 to increase their relevance, which was evidenced by a jostling for power between senators and governors. These attempts failed to bring about the results senators sought. One example of this is the introduction of amendments to the County Government Act that established the County Development Boards, which "provide a forum, at the county for consultation and coordination between the national government and the county governments on matters of development and projects in accordance with the Constitution and, more specifically, Article 6(2), Article l0, and Article 174 of the Constitution" (*Petition No. 71 of 2013*, 2016; The Republic of Kenya, 2014). The Senators attempted to chair these Boards and thereby *de facto* would be the oversight in relation to subnational development projects. This attempt at political recentralisation was declared unconstitutional by the Supreme court, which held that the amendment infringed on county powers and functions (Kenya Law Reports, 2015a; Office of the Auditor General, 2016).

The role governors have come to play, is that of a countermeasure against national government encroachment. Though the Senate is officially tasked with defending the gains of decentralisation, it is the governors, arguably the prime beneficiaries of the current constitutional dispensation, using

[34] Constitution of Kenya (2010), Fourth Schedule, "Distribution of functions among national and county governments".
[35] Senators constitutionally represents counties and serves to protect their interests. A key function is the participation in law-making functions by considering, debating and "approving bills concerning counties as provided in Article 109 to 113" (Article.96 The Government of the Republic of Kenya, 2010).

organisational platforms like the Council of Governors (CoG), that are deemed to be the key proponents in the defence and advancement of decentralisation (Steeves, 2015).

Another fundamental change in relation to political decentralisation was the modification in role of the former PA. The new constitution reduced their powers in terms of functions, which now focus primarily on security and the utilisation of the repurposed Constituency Development Fund (CDF), which is now the National Government Constituency Development Fund[36] (NG-CDF). Notably, most former positions merely changed titles e.g. PCs are now County Commissioners (CCs), with their alignment to the executive being maintained. However, the fundamental difference has been the reduction of their authority and influence vis-à-vis the elected county governments. Prior, there was no relevant elected subnational government, allowing the PA to operate largely unchallenged. Since 2013, they have retreated. That stated, they continue to maintain key security functions and can mobilise constituents on the president's request.

Overall, the political decentralisation that has occurred in Kenya surpasses any of the regional contemporaries including the comparators as demonstrated in *table 7*. This table which is adapted from Cabral (2011); Ndegwa (2002), highlights various aspects that should occur in order to attain aspects of political decentralisation against the findings from the comparators.

Political Decentralisation	Ghana	Kenya	Uganda
Existence of Direct Voting	- Voting limited to selected subnational options with key executive positions mainly by appointment - Appointment of key staff and 30% allocation to ruling party in MMDAs	- Voting permitted at subnational executive and legislation.	- Voting limited to select subnational options.
Agency of local government officials	RCCs, DCE and District Secretaries[37] are appointed	Governors and MCAs are elected	CAOs and RDCs appointed by President
Number of elected sub-national tiers	One: MMDAs	One: County	One: Districts
Fairness of subnational elections	- All elected assembly members represent single-member wards and must stand	- Potential candidates normally align themselves with	- NRM has been in power for 30 years. Elections and the

[36] The County Development Fund previously the Constituency Development Fund established in 2003 by the Kibaki NARC government. Designed to support constituency-level grass-root projects by equitably distributing resources with an emphasis on programs that assisted the socio-economic aspects of citizens wellbeing. It was repealed in 2013 by the Constituency Development Fund Board following accusations of the misuse of the funds.

[37] "In Ghana, despite the law on local government giving an active role to elected councillors, their ability to take control of the bureaucratic administration was, in practice, limited by the District Secretary, a central government appointee over whom the council executive did not have clear authority" (Parker, 1995, p. 24).

	independently of any political party. - Contested results have a legal process to be redressed - Most Ghanaians consider the process to be free and fair with minor problems (Parku, 2014).	parties with a national profile. - Contested results have been overturned by Judiciary including the 2017 presidential election - Overall perception of fairness with minor problems	results are usually contested - Most Ugandan's perceive the election to be not free and fair (Isbell and Kibirige, 2017)

Table 7. Political Decentralisation among the Comparators
Source: Cabral (2011); Ndegwa (2002); Author's analysis

Fiscal Decentralisation

Fiscal decentralisation is about the adequacy of financial resources and autonomy to utilise the same (Jütting, 2005). There are signposts that provide an indication of the overall disposition of the process: Agency in how funds are used; clarity in source(s) of funding; clarity in the division of national and subnational allocations; and an instrument outlining the specific allocation (Dickovick and Riedl, 2010).

Adequacy of funds

Without adequate resources to conduct their mandate, subnational units will be unable to perform their functions and/or be reliant on the centre in a manner that is likely to jeopardize their autonomy. Limited resourcing can stifle capacity, stall programs, disincentivise staff, erode service delivery, and reduce electoral accountability. Prior to analysing autonomy, it was important to grasp the magnitude and composition of revenue flows to subnational units in order that a comparison may be made.

	Ghana	Kenya	Uganda
Overall Magnitude as a % of national government revenue (or budget, for Uganda)	Estimated 13.5%[1]	Around 20% (*see table 22.* Chapter 5)[3]	Around 30-37% of the National Budget[5]
Composition of Revenue Flows			
Local Revenue Generation	Almost 20% of total MMDA revenue[1]	10% from own revenues plus 10% from retained balances[4]	Minimal – FY 2013/14 to FY 2017/18 average was 2.64% of total revenue of local administrative units[6]
Constitutional allocations	In 2010, DACF was 37% of total MMDA revenue[1]	75%+ from constitutional allocation[4]	No constitutional allocation.

National Grants and Donor Funding	▪ Around 45% of total MMDA revenue[1] ▪ Breakdown = Donors 28%, Government sources 15%[2]	▪ Conditional grants average 3% FY 2013/14 – FY 2016/17 (but rising over time)[4] ▪ Unconditional grants averaged 9% FY 2013/14 – FY 2016/17[4]	District revenues in Uganda are almost entirely comprised of Conditional grants.

Table 8. Magnitude and Composition of Revenue Flows to Subnational Units

Sources:

Ghana: 1 = Dickovick and Riedl (2010, p. 41). N.B. overall estimate of 13.5% of national government revenue assumes that DACF comprises 5% of national government revenue. DACF legally 7.5% of government revenue, but FY 2012/13 – FY 2015/16 average was 2.6% (see *table 22*); and 2 = Debrah (2014, p. 64).

Kenya: 3 = Kenya County Budget Allocations FY 2013/14 - 2016/17; and 4 = The National Treasury and Planning (2018, p. 14)

Uganda: 5 = Bashaasha et al. (2011, p. 3); and 6 = The Government of Uganda (2018, p. 293)

N.B. Due to reliance on a multiplicity of sources, the estimates for the overall magnitude of revenues received by subnational units are only partially comparable. There are two main discrepancies in the figures. Firstly, the Kenya data is more recent than the data for Ghana and Uganda. Secondly, the Ghanaian and Kenya data are expressed as a share of government revenues, whereas the Ugandan data is expressed as a share of national budget expenditure. As all three countries have regularly run large budget deficits, the overall magnitude of revenues received by subnational units appears higher when expressed as a share of government revenues than it is when expressed as a share of national budget expenditure. Therefore, the overall magnitude of revenues received by subnational units has been much higher as a proportion of total government expenditure in Uganda than in the other two countries.

From the data it may be extrapolated that the overall magnitude as a percentage (%) of national government revenue (or budget for Uganda) highlighted that Ugandan subnational units receive the highest allocation. This was followed by Kenya at 20% which was within constitutional bounds, and finally by Ghana with the lowest share among the comparators at 13.5%.

Local Revenue Generation

In all three comparators, local collection of revenue lagged behind their respective central government transfers. In each case subnational units were permitted to raise revenue locally, to enhance expenditure. Local generation was found to be the highest at 20% in Ghana. This was followed by Kenya at 10%, which also brought previous balances forward. Ugandan subnational revenue generation was the lowest, averaging 2.64% of total revenue between FY 2013/14 to FY 2017/18 (The Government of Uganda, 2018). The insufficient generation of local revenue across the comparators, indicated that they jointly have an overreliance on alternative sources of funding.

Constitutional Allocation

In Kenya, the constitutional provisions ensure that counties should receive a minimum of 15 percent of revenue from the last audited accounts, whereas in Uganda the Local Government Finance

Commission is appointed by the executive to provide recommendations on the funding that subnational units require (Government of Uganda, 1997, sec. 78; The Government of Uganda, 1995 Art.194). Currently, this amounts to 30-37% of the national budget, however unlike Kenya and Ghana there is no constitutionally mandated minimum (Bashaasha et al., 2011; Onyach-Olaa, 2007).

"The DACF amounts to 37% of revenues for the MMDAs (twice the amount raised by own-source revenues) while total grants given by the central government (salaries, donor support, etc.) accounts for the remaining 45%"(Dickovick and Riedl, 2010, p. 41). Despite the allocation, it is notable that control of the DACF to MMDAs is limited by the constitutional provisions that the Ministry of Finance, and Ministry of Local Government and Rural Development will determine expenditure, arguably turning MMDAs into delegated agencies. (Ayee and Dickovick, 2014). Moreover, many departments under MMDAs continue to enjoy close ties with their respective head ministries in Accra:

> "The government's own assessment of the success of decentralization…recognized that the public administrative system continues to be heavily centralized because power and resources are still concentrated in key ministries, departments, and agencies that plan, implement, monitor, and evaluate essential services for the communities. It also recognizes that delayed transfer of funds and the lack of the capacity to raise local revenue constrain fiscal decentralization" (Debrah, 2014, p. 65).

Notably, as mentioned Uganda does not have a constitutionally mandated minimum allocation, however the 30-37% of national budget to subnational units is considerably higher than the comparators as highlighted in *table 9*.

Central Government Revenue	FY 2012/13	FY 2013/14	FY 2014/15	FY 2015/16
DACF	406,512,700.0	498,898,500.0	330,309,000.0	1,470,439,451.0
Total Revenue	15,508,092,502.5	18,732,110,275.6	23,931,323,558.2	29,351,651,470.1
Total Revenue & Grants	16,668,413,845.4	19,471,552,145.6	24,745,460,166.2	32,040,407,836.2
DACF as a Proportion of Revenue (%)	2.6%	2.7%	1.4%	5.0%
DACF as a Proportion of Revenue & Grants (%)	2.4%	2.6%	1.3%	4.6%

Table 9. Ghanaian Central Government Revenue FY 2012-2015
Source: The Government of Ghana (2017); Author's Analysis

In Ghana, the MMDAs are the sole taxing authority in districts. Though due to ineffective collection and poor tax generation, the national District Assemblies Common Fund (DACF)[38] which provides the fixed formula of intergovernmental transfer is the key stream of funding to subunits. DACF is required to set aside and transfer to the DAs no less than 5 percent of total revenues of the country, including interests and dividends that accrue from investments, payable in quarterly instalments (The Republic of Ghana, 1993, sec. 2). In 2007, the DACF Act was amended to increase the budgetary allocation from 5% to 7.5%. "The objective of the amendment was to increase the per capita allocation to the district as well as to augment the increasing numbers of the Metropolitan, Municipal and District Assemblies from 110 in 1994 to 170 in 2007" (Owusu-Mensah, 2015, p. 6).

It was important to also grasp the source and composition of revenue flows as this would signal levels of autonomy in expenditure. The next section focuses on the extent of autonomy of subnational units in the utilisation of the resources available to them.

Local Autonomy Over Funding

Fiscal autonomy is critical to fiscal decentralisation. Local autonomy over fiscal matters is achieved where local units obtain most of their revenue either from local sources (local revenue generation) or from constitutional allocations. By contrast, other central grants typically come with conditions regarding how the money is used. Hence, they may be leveraged to undermine local financial autonomy and perpetuate central control.

Funding to most subunits and adequate resources to perform tasks was found to require external national funding, in the forms of grants and more reliably a constitutional allocation.[39] The type of grant[40] informs the amount, purpose, and conditions in which the resources may be utilised. Constitutional allocations are regularly a more reliable source of funding. Moreover, the conditions stipulated in relation to the allocation of the revenue, once transmitted from this form of allocation, are likely to be less stringent, or at least be politically accepted as being reflective of the nature of a nation's decentralisation process.

As noted in *table 8,* a majority of revenue in Ghana and Kenya was from constitutional allocations, with local generation being a relatively minor source in all three comparators. The DACF, and Kenyan county revenue allocation[41] are important for they provide a constitutionally mandated allocation, thereby enhancing the autonomy of subnational units. The DACF is 7.5% of total government revenues (Crook, 2017). Kenya in FY 2016/17 allocated 18.6% of government revenue based on the last audited accounts (*figure 22*). These nationally guaranteed allocations are mandatory and established

[38] District Assemblies Common Fund (DACF). Established by Act 455 in 1993 and then amended in 2008 to account for inflation and accelerate rural development.

[39] It is commonplace among most SSA subnational units, that they are restricted, and in many cases not permitted to seek external funding from external sources independently.

[40] There are usually several types of grants: unconditional grants; conditional grants; and equalization grants.

[41] The Constitution of Kenya (2010), Article 203(2), "2) For every financial year, the equitable share of the revenue raised nationally that is allocated to county governments shall be not less than fifteen per cent of all revenue collected by the national government".

by a revenue sharing formula[42] which provides subunits with funding objectively, however, the adequacy of funding is another matter entirely that this chapter is unable to engage with sufficiently.

Resource allocation to subnational units in Uganda is clearer when the history of Graduated Personal Tax (GPT) is understood. Formally, the national government was obligated to ensure Districts and/or LCVs were adequately remunerated, however there is less enforcement of how LCVs redistribute resources to LCI-LCIVs.[43] LCI-LCIVs are highly reliant on local revenue generation, which up until 2005 primarily was derived from GPT as highlighted in *table 10*. The GPT was an unpopular regressive tax which was first imposed by the British in the 1930s,[44] based on assessed household income with an upper limit of 80,000 Ugandan Shillings. "It required that all adult males and fully employed females pay a form of poll tax and carry a card at all times showing proof of payment" (Manyak and Katono, 2011, p. 18). Its unpopularity, reduced turnover in terms of revenue collection in nominal and real terms. Once opposition politicians claimed that they would eliminate the GPT if elected, Museveni in 2006, responded to the potential threat before the first multiparty presidential and parliamentary elections since his assumption of power, by neutralising the challenge with an indefinite suspension of the tax.

	FY 2013/14	**FY 2014/15**	**FY 2015/16**	**FY 2016/17**	**FY 2017/18**
Local Revenue Generation (Taxes)	2.4	2.6	2.3	3	2.9
National Transfer to Districts (Conditional Grant)	92.0	92.1	92.1	92.0	92.5
Other Revenue (e.g. Property Income)	1.1	1.3	1.3	1.4	1.3
Grants: Unconditional Donors	4.5	4.0	4.3	3.6	3.3
Grants: Equalization	0.0	0.0	0.0	0.0	0.0
Graduated Tax	0.0	0.0	0.0	0.0	0.0
Total	**100.0**	**100.0**	**100.0**	**100.0**	**100.0**

Table 10. Ugandan Classification of Local Government Revenue by Percentage Share
Source: The Government of Uganda (2018, p. 293); Author's analysis

The suspension eroded LCI-LCIVs revenue bases, which previously derived more than 80% of subnational discretionary income (Manyak and Katono, 2011). Despite the national government increasing local revenue allocation from 17% in FY 1994/95 up to 35% in FY 2001/02, the effect of the rescinded local taxes[45] significantly shrunk local revenue generation (Green, 2008). Bashaasha et al., (2011, p. 4) noted that by FY 2011/12, "central government transfers to LGs account[ed] for 30

[42] In Ghana, the DACF is then redistributed according to a revenue-sharing formula approved annually for the year in question by Parliament. The sharing formula set up by Parliament and implemented by an independent body called the District Assembly Common Fund Administrator. In Kenya, the Commission for Revenue Allocation (CRA), provides direction for the equitable distribution of resources nationally, based on six parameters: Population; equal share; poverty; land area; fiscal effort; and development.
[43] Provisions are captured in The Local Governments Act 1997 at Part VI.
[44] Kenya also had a version of the GPT that was eventually withdrawn in the late 1960s.
[45] "Examples of rescinded local taxes include market dues, motorcycle transporters' tax, and any other local taxes that were deemed unpopular by some voting constituency. Each decision to rescind a tax was supported with a rationale, but the end result was the further erosion of local government financial independence (LGFC 2009; ULGA 2009)" (Manyak and Katono, 2011, p. 18).

to 37% of the national budget and constitute[d] about 95% of LG revenue, highlighting the dependence subnational units have on the center.

In Uganda, as with Ghana, unit proliferation, which will be dealt with more succinctly in the next section,[46] has added to subnational fiscal reliance on the national government at all levels (LCI-LCV: MMDAs-Unit Committees respectively). Therefore, despite subnational units in Uganda having the power to mobilise, and manage certain revenues including: property tax; personal tax; and various fees, fines, permits and licences, which they are also able to retain, there is a lack of autonomy in the means the funds are utilised, not to mention their limited contribution (Government of Uganda, 1997; Steiner, 2006).

In the case where financial management powers are provided, but not accompanied by adequate resourcing, the likely outcome of those liberties will only be in name. What is recognised here is the shrinkage in local revenue generation, compounded by unit proliferation, which has the likely effect of creating economically unviable units, that rely on national allocation and grants, with deconcentrated officials that have a role in planning and allocation.

Intergovernmental Transfers

In Ghana, the annual budgetary allocation to all state institutions including ministerial transfers to cover recurrent costs, salaries for public sector employees deployed in districts, and capital expenditure for infrastructure developments, are controlled and limited by constitutional provisions that the Ministry of Finance and Ministry of Local Government and Rural Development determines. These transfers of revenue to subnational units provide a revenue stream to ensure the functioning of national and subnational programs, however, the revenue is provided for specific functions, omitting discretion on application of the same. "The DAs also receive transfers from the Social Investment Fund, the Highly Indebted Poor Country initiative, and the District Development Fund, which represent 15 percent of their revenues. Another 28 percent of their total revenues comes from donor grants, including development assistance from the European Union, USAID, and the United Nations Development Program" (Debrah, 2014, p. 64). While donor grants are relatively less stringent about prescriptive preconditions, the central government imposes conditions on the uses of the funds at subnational level selecting specific developmental programs and poverty reduction initiatives that should receive support (Debrah, 2014).

This demonstrates that despite the transfers, subnational units have limited authority and autonomy in deciding how revenue is allocated to varying extents in all the comparators. Supporting the argument that Ghanaian decentralisation more closely resembles delegation and forms of deconcentration, rather than devolution. However, it should be noted that MMDAs vote on their own budgets, controlling some of their expenditure despite spending constraints from the national government that have been mentioned, "they retain some residual power to allocate expenditures funded by their own resources, over which they have discretionary power" (Gilbert et al., 2012, p. 127), which is more in-

[46] Section: Administrative decentralisation.

line with the approach adopted in Kenya, with its Annual Development Plan (ADP), and 5 year County Integrated Development Plan (CIDP).[47]

In Uganda, between the unconditional grant[48] and equalization grant,[49]the former has fewer constraints, normally utilised as part of a subnational unit's revenue in order to pay salaries, and the latter a special provision to the districts that fall behind the national standard for a particular service. However, the grant that truly makes a difference is the conditional grant,[50] which in FY 1999/2000 made up for 85% of subnational revenue (Bashaasha et al., 2011). Being the largest source of revenue to districts, the grant being 'conditional' is based on an agreement between the national government and the subnational unit.

This form of control on spending, the lack of adequate local revenue generation is compounded by diminished allocation due to unit proliferation which witnessed 39 districts in 1990 mushroom into 137 by 2019. Fiscal decentralisation requires adequate resourcing and discretion to control the resources with minimal intervention from the national government. Presently, in both Ghana and Uganda, arguably this is not the case. By diminishing bargaining power and eroding financial instruments that were previously beneficial to subnational units, the Ugandan national government has fiscally recentralised the state.

Since Kenya's new constitutional dispensation came into effect, there has been, in addition to the unconditional constitutional allocation, two other sources of national funding allocation. Conditional grants and transfers from the Equalization Fund.[51] Similarly, to Uganda, conditional grants are predicated on stipulated programs and projects that the national government expects the funding to be utilised towards. In Kenya, it mainly has been to healthcare and rural road maintenance (Development Initiatives, 2017). The Equalisation fund supports the counties that historically have been marginalised.[52] The funding is to be used for delivery of basic services such as roads, water access enhancement, electricity grid expansion and health facilities. Notably, the average 12% contribution

[47] See Chapter 5 – County Governments and National Supervision.

[48] "An unconditional grant is the minimum grant that shall be paid to local governments to run decentralised services and shall be calculated in the manner specified in the Seventh Schedule of the Constitution" (Government of Uganda, 1997, sec. 82.1(2)).

[49] "An equalisation grant is the money to be paid to local governments for giving subsidies or making special provisions for the least developed districts and shall be based on the degree to which a local government unit is lagging behind the national average standard for a particular service" (Government of Uganda, 1997, sec. 83.1(4)).

[50] "A conditional grant shall consist of monies given to local governments to finance programmes agreed upon between the Government and the local governments and shall be expended for the purposes for which it was made and in accordance with the conditions agreed upon" (Government of Uganda, 1997, sec. 83.1(3)). "This grant finances programs agreed upon between the central and local government, such as primary education, feeder roads, and primary healthcare, including the Local Government Development Program (LGDP), through which grants are available to lower councils for specific projects identified in development plans" (Bashaasha et al., 2011, p. 3).

[51] Constitution of Kenya (2010), Article 204, "There is established an Equalisation Fund into which shall be paid one half per cent of all the revenue collected by the national government each year calculated on the basis of the most recent audited accounts of revenue received, as approved by the National Assembly.

[52] Goes to about 14 counties: These are Garissa, Isiolo, Kilifi, Kwale, Mandera, Marsabit, Narok, Samburu, Taita Taveta, Tana River, Turkana, Wajir and West Pokot. See details of projects for financial year 2016/2017 at: http://treasury.go.ke/projects/Equalization%20Fund%20proposed%20Projects%20for%20financialyear%20201617%20-%20%2025.11.2016%20.pdf.

between FY 2013/14 to 2017/18 was not as significant as the conditional grants made within Ghana and Uganda (*table 8)*.

Overall, Uganda in terms of a percent of national government revenue provided its subnational units with the most generous allocation. Ghana and Kenya, despite lower allocations hand higher local revenue generation and guaranteed constitutional allocations which provided subnational units with a measure of autonomy regarding expenditure and planning not witnessed in Uganda.

In Ghana, the perceived autonomy was offset to an extent by the presence of deconcentrated officials who would likely prioritise the national agenda. This was compounded by the national grants and donor funding which broadly was provided with stipulations on utilisation. The loss of the GPT in Uganda compressed local revenue generation creating further reliance on the center, which was amplified by districts revenues which were almost entirely composed of conditional grants.

Finally, beyond the amount of funding to subnational units, is the point on the control, adequacy, and sources of funds. The discussion in the previous section regarding central influence over local decision-making highlights the importance of fiscal autonomy towards a notion of actual fiscal decentralisation. As noted above, in Ghana RCCs, DCEs and the 30% provision of executive nominates at MMDA level, together give the President significant influence on resource allocation to subnational units (Awortwi, 2011; Ayee, 2004). In Uganda, RDCs and CAOs provide the national government with the ability to purvey central interests over local interests. This is not the case for counties in Kenya, which demonstrates, though Uganda may have higher allocations as a proportion of revenue, Kenyan subnational units have more discretion in the way resources are allocated.

Administrative Decentralisation

Administrative decentralisation is a set of policies that create and transfer bureaucratic procedures and functions from national to subnational units (Awortwi, 2011). The laws and powers provided through administrative decentralisation determine the extent of autonomous operation a subnational unit enjoys, and its ability to determine planning and delivery. There are numerous variants of administrative decentralisation as illustrated in *figure 14*. At one end there is deconcentration, which occurs when national functionaries relocate to subnational units but remain affiliated to the central government. At the other end, devolution is the full transfer of bureaucratic procedures and functions to subnational units.

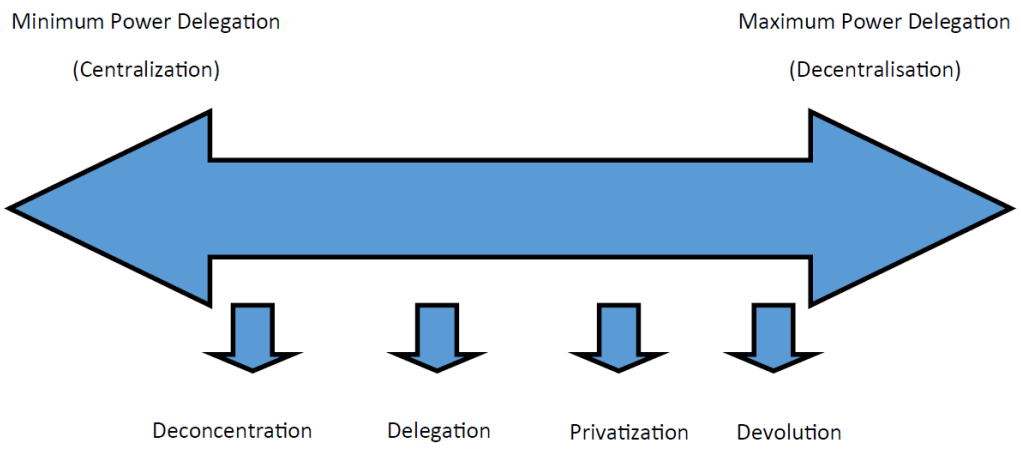

Figure 14. Forms of Decentralisation as a Continuum
Source: Adams and Taabazuing (2015)

Arguably, where political and fiscal decentralisation are limited, the form of administrative decentralisation will tend towards deconcentration is the extent of this is more evident in Ghana and Uganda. By contrast, where political and fiscal decentralisation are more thoroughgoing, the form of administrative decentralisation will tend towards devolution. This is characterized in the Kenyan post-2013 case more than in the comparators.

Subnational Unit Proliferation

This final section of the chapter considers the issue of subnational unit proliferation, i.e. the progressive increase in the number of subnational administrative units as populations rise. This is observed in both Ghana and Uganda, and in Kenya in the decade prior to 2010. By contrast, the 2010 Kenyan constitution considerably reduced the number of subnational administrative units in the country.

Proliferation of administrative units does not alter bureaucratic procedures or local functions and it can be popular both with politicians and electorates because it creates new opportunities for rent redistribution and patronage. However, despite an increase in the overall cost of administration nationally resulting from the duplication of functions, it often diminishes overall administrative capabilities due to multiple local skill shortages. Many small administrative units also have weak local tax-bases, which increases financial dependence on the center. Thus, subnational unit proliferation has been observed to be a means by which central governments recentralise power even whilst apparently extending a policy of administrative decentralisation (Mohammed 2015).

Evidence of subnational unit proliferation in Ghana, Uganda, and in Kenya prior to the implementation of the 2010 constitution can be seen in *table 11*. What is observed are notable increases in subnational units whose mushrooming, exceeds any form of correlation to growth in revenue or population prior to periods of political contestation and/or, elections. After 2013, Kenya takes a

divergent path, which is reflective of the new power structure, that reverted to previous 1960s district boundaries, with the elevation of districts to counties.[53]

Notably, Kenya currently has the least number of subnational units in comparison to Ghana and Uganda (2019). In both Ghana and Uganda, it is submitted that the ruling parties have increased subnational units, for political purposes, usually prior to elections. Highlighting, one of the ironies of democratisation, being its contribution to a more competitive environment that contributed to subnational proliferation in favour of central interests.

In Kenya due to the short duration the constitution has been in place, the primary focus of the examination was limited to the initial five (5) years since 2013, against the over twenty years that the other comparators have witnessed. However, the fragmentation that has affected Ghana and Uganda is unlikely to occur in Kenya in the near future, due to the political decentralisation that has occurred in the subnational executive and legislative elected positions. Moreover, the Council of Governors (CoG) is a political body with a powerful national platform whose political stature would be curtailed by any form of proliferation of counties. It is likely that there would be significant political backlash against any attempt to undermine subnational units. In Ghana and Uganda, there is no local equivalent political body that can resist this form of proliferation. This is critical as it presents a strong indicator of a thoroughgoing decentralisation process at present in Kenya, also highlighting that proliferation is a sign of a powerful center with no countervailing institution to resist the process adequately.

Mohammed (2015), refers to post-decentralisation subdivision as the 'politics of fragmentation'. Fragmentation involves the creation of subnational units for political gain, above economic rationalisation and/or administrative benefits. The result of this process is largely the creation of inviable units, which in some instances "engender conflict because it has altered power relations, redistributed resources, gone against the grain of tradition and custom, and infringed on the interests of certain groups whose support is critical to the success of the policy" (Mohammed, 2015, p. 172).

Country	Election date	No. of subunits	Difference since previous election
Ghana	**1979** Presidential and National Assembly election	65	
	1992[54] Presidential and Parliamentary election	110	+45
	Introduction of multiparty politics		
	1996 Presidential and Parliamentary election	110	0
	2000 Presidential and Parliamentary election	138	+28
	2004 Presidential and Parliamentary election	170	+32

[53] As with the previous sections the subnational units that are examined are Ghanaian MMDAs, districts in both Uganda and Kenya, and Post 2013 counties in Kenya. These subnational units, though not the only subnational units that were subdivided, are recognised as the most significant entities within their respective decentralised frameworks.
[54] The 1992 Constitutional referendum that converted Ghana into a multiparty state.

	(First election where NDC Rawlings was not the candidate)		
	2008 Presidential and Parliamentary election	170	0
	2012 Presidential and Parliamentary election	216	+46
	2018 Presidential and Parliamentary election	254	+38
Kenya	**1979** National Assembly election	47	
	1983 National Assembly election	47	0
	1988 National Assembly election	47	0
	Re-introduction of multiparty politics		
	1992 Presidential and National Assembly election	54	+7
	1997 Presidential and National Assembly election	61	+7
	2002 Presidential and National Assembly election	71	+10
	(First election where Moi was not the KANU candidate)		
	2007[55] Presidential and National Assembly election	145	+74[56]
	2013 Presidential and National Assembly election	47	-98
	2017 Presidential and National Assembly election	47	0
Uganda	**1980** General election	34	
	1996 Presidential election	39	+5
	2001 Presidential election	56	+17
	Re-introduction of multiparty elections		
	2006[57] General election[58]	80	+24
	2011 General election	112	+32
	2016 General election	137	+25

Table 11. National elections and the growth of subnational units
Source: Author

[55] The 2005 Constitutional referendum was a pivotal moment in Kenya. The core issue was the structure of Kenyan would take, decentralisation.
[56] The largest increase in Kenyan administrative units occurred between 2008-2013, under the grand coalition government. This was likely due to the size and redistributive nature of the government that aimed to provide its bloated membership with the ability to engage in forms of political patronage.
[57] The 2006 Multiparty elections were the first of their kind and followed the 2005 Referendum in favour of the motion to move Uganda out of 'the movement' de facto one-party state that existed.
[58] General elections since 2006 have included, the election of both National Assembly and Presidential candidates.

Democratisation, Elections, and Fragmentation

Democratisation in Ghana, Kenya, and Uganda in the 1990s was coupled with the semblance of competitive elections that all three incumbents[59] managed to win, with Museveni staying on after his two-term limit was conveniently rescinded. Winning was however, not guaranteed, and therefore varying measures were taken to secure power. The redistribution of rents via the proliferation of subnational units is one of those measures. In the context of developing nations, transitioning into democracy, decentralisation has also become a means to maintain central control through forms of recentralisation (Lewis, 2014).

This was achieved in two broad ways: by fracturing subunits, arguably as a means of patronage to co-opt groups/clients that desired rents from the center in exchange typically for support; and the creation of subunits to dilute possible opposition gaining a stronghold that may challenge the holding power of the ruling elite. By creating smaller units, national governments were also able to reduce the economic viability of the same, thereby creating further dependence on the center for resourcing, while immobilizing local groups that have limited private resources.

It is submitted, that in all three comparators examined, this was the case until 2013. In 2013, Kenya's 2010 constitutional transition clauses gave way to the commencement of devolution. The creation of the 47 counties assumed 1960s district lines. This was possible due to the unique political process, in which, most, if not all the significant political actors were able to contribute to the framework of the decentralisation process. Moreover, since 2013, there has been no increase in number of counties. Notably, there has been national debate about a reduction of counties, removal of Nairobi as a county, and most recently, a referendum discussion on the creation of an additional subnational government to precede counties and, the possibility of adopting a parliamentary democracy (Mutavi, 2016; Nation Team, 2018a). However, at present an increase of counties is arguably unconscionable, with public sentiment around the public wage bill being a contentious political matter ("Hiring Spree Cost Counties Billions," 2018).

The legal basis of Council fragmentation in Ghana is enshrined in the 1992 Constitution at Article 241(2)[60] and the Local Government Act 1993 (Act 462). The Constitution states, "that Parliament may by law make provision for the redrawing of the boundaries of districts or for reconstituting districts". When read together with the Local Government Act 1993 Section 1.2(a),[61] there is a notable shift from a considered legislative process, to executive discretion, which arguably creates a conducive environment for 'fragmentation' for political gains, such as patronage, and gerrymandering. The power of the executive to create new districts has led to a trend where the last two waves of district creation by both the NDC and NPP occurred during election years as captured in *table 15*. (Ayee and Dickovick, 2014). It is noteworthy that the proliferation of MMDAs is electorally rewarding to the incumbent government, as the new districts result in new parliamentary constituencies (Resnick, 2017).

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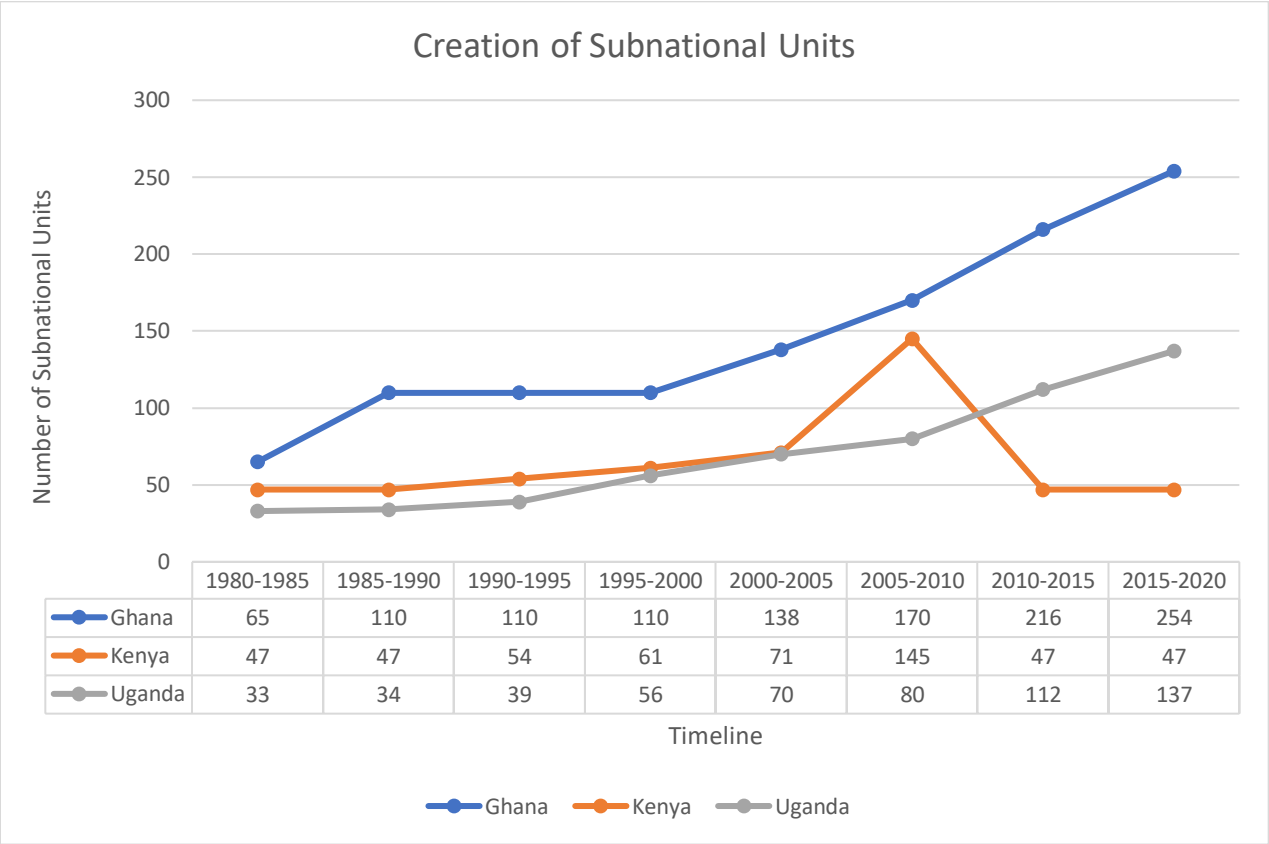
[59] Jerry Rawlings of Ghana, Daniel Arap Moi of Kenya, and Yoweri Museveni of Uganda, respectively.

[60] Constitution of Ghana, (1992), Article 241(2) "Parliament may by law make provision for the redrawing of the boundaries of districts or for reconstituting the districts".

[61] Local Government Act (462) of 1993, Section 1.2(a & b), "The President may, by executive instrument, *(a)* declare an area to be a district, and *(b)* assign a name to the district".

Whereas the legal basis for district creation in Uganda is captured in Article 179 of the 1995 Constitution, providing Parliament with the ultimate authority on the creation of subunits. The Ugandan parliament has enjoyed an NRM majority since its inception, and it is not far-fetched to consider that it acts as a mere rubber stamp for the executive in this respect, as evidenced by the proliferation of districts (The Government of Uganda, 1995 Art.179).

The Constitution of Kenya (2010) at Article 188 provides for an 'altering' of the boundaries. This requires an independent commission established by parliament to provide a recommendation on an alteration, which then needs to be endorsed by a least two-thirds of both the National Assembly and Senate (The Government of the Republic of Kenya, 2010 Article 188). Thus, this threshold reduces the potential of an executive driven fragmentation process occurring.



	1980-1985	1985-1990	1990-1995	1995-2000	2000-2005	2005-2010	2010-2015	2015-2020
Ghana	65	110	110	110	138	170	216	254
Kenya	47	47	54	61	71	145	47	47
Uganda	33	34	39	56	70	80	112	137

Figure 15. Subnational Unit Creation
Source: Ayee and Dickovick (2014); Green (2008); Hassan (2016); Author's analysis

The growth of administrative subunits in both Ghana and Uganda has jeopardized their economic viability,[62]creating an overreliance on the DACF and central government transfers and grants respectively (Crawford, 2009; Mohammed, 2015). Arguably, the rationalization on political benefits associated with fragmentation form around: an increase of local influence of the party in power – more seats to contest in additional regions; creation of additional patron-client opportunities; targeted

[62] Ability of a subunit to attend to its basic public developmental, recurrent, infrastructural and service expectations from the resources generated within its geographic sphere.

communities getting a 'share' of government allocation 'directly'; and adhering to the demands of ethnic groups that call for 'self-governance' (Crook, 2003; Gilbert et al., 2012; Hassan, 2016). The trend that is apparent, even in Ghana with its two-party revolving door, the demands around fracturing once conceded, will lead to more groups seeking the same in regards to enhancing their interests, and the government recognising a means of rent redistribution that provides multiple benefits, while recentralising power. Cabral (2011, p. 6), in her study noted that evidence suggested that governments in Ghana and Kenya (pre-2010) "all used decentralisation to consolidate ruling party power and influence at the local level through alliances with local elites". This argument can be extended to Uganda, where the motivation to create more districts arguably has not been for matters service delivery related.

Subnational Government Administrative Capacity

With less qualified staff which can be expected when units proliferate at the rate examined from the 1990s, it is common place to find that the duplication of roles at the subnational level is not aligned to the human resource capacity to fulfil the functions that are required. Moreover, it is not uncommon that as a result of subnational unit division, that there will be a resultant reduction in revenue generation, amplified by increased reliance on their respective national governments, highlighting the lack of cohesion between financial resources and the responsibilities in relation to service provision, arguably restricting their ability to address local needs in terms of service delivery (Steiner, 2007).

Hassan (2016), recognised that unit proliferation in pre-2010 Kenya had been implemented to achieve a transfer of rents and power to groups based on support to the executive. It is notable that in all three comparative states, the subnational divisions that occurred arguably considered ethnic grouping. As ethnicity is a key marker of organisational power, proliferation has followed these power structures around patronage. The outcomes of elite and intermediate groups rent seeking is seemingly an administrative area 'granted' in exchange for support in elections.

Secondly, the creation of subunits can also be set up to target strongholds and opponents of the executive (Dickovick and Riedl, 2010). By subdividing areas, their power and access to resources is likely to be diminished to the benefit of the ruling incumbent (Crook, 2003). A key example that emphasizes centralisation occurred in Uganda in November 2010. The Ugandan Parliament at the request of the NRM Cabinet enacted the Kampala Capital City Act, creating the Kampala Capital City Authority (KCCA) as the governing body of the city. This entailed the removal of the locally elected Lord Mayor and Deputy, which brought Kampala under the supervision of the national government through the appointment of a deconcentrated executive and deputy directors that would largely perform their predecessors' respective roles within the authority (The Government of Uganda, 2011).

Similarly, though with a different outcome, in 2016 the Kenyan Parliament unsuccessfully aimed to pass a Bill that would amend the constitution by revoking Nairobi's administrative status as a county, placing it under national administration (Mutavi, 2016). In this case, the seemingly more competitive nature of Kenyan democracy led to the Bill failing to pass.

To summarise the arguments in this chapter *table 12* below presents a decentralisation scorecard based on Ndegwa's (2002), stocktaking survey on decentralisation in Africa. The score is not meant to be authoritative, but instead indicative of the evidence that has been presented.[63]

[63] "The political decentralisation index takes into account the number of elected sub-national tiers, the score for the existence of direct elections for local governments, and the score for turnout and fairness of such elections. The administrative decentralisation index includes the score for the clarity of roles for national and local government provided by the law, the score indicative of where the actual responsibility for service delivery resided, and the score indicative of where the responsibility for civil servants resided. The fiscal decentralisation index was computed as the mean on the score given for the arrangements for fiscal transfers from the central government to localities and the score corresponding to the proportion of public expenditure controlled by the localities" (Cabral, 2011, p. 12).

Type of Decentralisation	Point Rationale	Ghana		Kenya		Uganda		Kenya Pre 2010	
Political Decentralisation									
The number of elected sub-national tiers (2)	Some decentralised SSA states permit elections of multiple subnational units. Normally 2 is the most (2)	MMDAs	1	Counties	1	Districts	1	Provincial and District voting did not occur	0
The existence of direct elections for local governments (2)	Unlimited voting for legislature and executive (2); and appointment to positions (-1)	Voting limited to selected subnational options with key executive positions mainly by appointment of key staff and 30% allocation to ruling party in MMDAs	1	Voting occurs at subnational executive and legislature	2	Voting limited to select subnational options.	1	No elections	0
Turnout and fairness of such elections (1)	Legal redress (1)	Most Ghanaians consider the process to be free and fair with minor problems (national perspective)	1	Overall perception of fairness with minor problems	1	Most Ugandan's perceive the election to be not free and fair (national perspective)	0	Kenyan's did not perceive elections to be free and fair under KANU. The 2007 election almost began a civil war	0
Administrative Decentralisation									
Clarity of roles for national and local government provided by the law (2)	Legal Instrument (1); Provisions enforced (1)	Chapter 20 of the 1992 Constitution, and the Local Government Act (Act 462) of 1993. Though, District Secretaries are known to interfere with the work of Chairpersons	1	Constitution 2010 IV Schedule. Some of the provisions are ambiguous. (See Chapter 4 on agriculture).	1	Chapter 11 of the 1995 Constitution and the Local Governments Act 1997. Political appointees especially CAOs and RDCs drive the development agenda at subnational levels	1	Provincial Administration worked as an arm of the Executive, clashed with the legislature making separation of duties unclear. Legal provision was provided.	1
Actual responsibility for service delivery and civil servants resides locally (1)	Autonomy (+) Deconcentrated officials (-)	RCCs, DCE and District Secretaries are appointed	0	No current deconcentrated officials in county executive or legislature	1	CAOs and RDCs appointed by President	0	PCs and DCs including other key positions were all by appointment	0

Subnational Proliferation (2)	Unit proliferation prior to elections (0) - Unit stability (2)	Consistent unit proliferation over the last 3 elections	0	No current increase or decrease in subnational units	2	Consistent unit proliferation over the last 3 elections	0	Increase occurred prior to the contested 2007 elections	0
Fiscal Decentralisation									
Local Revenue Generation (1)	Local revenue generation (1)	Inadequate revenue generation	0	Inadequate revenue generation	0	Inadequate revenue generation	0	Inadequate revenue generation	0
Fiscal transfers from the central government to localities (2) - Volume*	Local transfer (1); Volume exceeding 20% of revenue (1)	DACF is presently at 7.5% of government revenue (1)	1	Presently at a minimum of 15% of government revenue. In FY 2013/14 to FY 2016/17 the average has been 16.10% (1)	1	No constitutional allocation but around 37% of the national budget is allocated (2)	2	No constitutional allocation. Central government handled budgets (0); However, the CDF was in place to assist with development projects (1)	1
The proportion of public expenditure controlled by the localities (2) - Control*	Agency of funding (2)	Subnational units control budget and planning, however deconcentrated officials may influence process. Other transfers exist however they are mainly conditional (1)	1	Subnational units control budget and planning (2); Equalization fund, NG-CDF controlled by national government.	2	Most of the local revenue is provided on conditional grant; and deconcentrated officials may influence process (1)	1	The CDF was used by the PA, however overall planning and budgeting happened in Nairobi (0)	0
Total			**6**		**11**		**6**		**2**

Table 12. Scorecard on the decentralisation process in Ghana, Kenya, and Uganda
Source: Author

Conclusion

The decentralisation experience is not a uniform exercise in the redistribution of power and resources. Context matters. The genesis and political motivations that are formalised in legal instruments are indicative of the likely outcomes of the process and demonstrative of how power is distributed in society. In Ghana and Uganda, it was evidenced that their respective decentralisation processes were crafted by a single state party, which arguably prioritised the interests of the executive. By contrast, the nature of the Kenyan 2010 constitutional process is more of a compromise, as no group could claim to have 'won' outright, which assists in explaining the divergent decentralisation dynamics observed in Kenya, as opposed to the comparators since 2013. Admittedly, the decentralisation processes in Ghana and Uganda have prevailed for over twenty years, whereas Kenya's experience has only been ongoing for six (6) years. Nevertheless, the unique circumstances and reasons under which it was developed suggest that the Kenyan experience could continue to be distinctive.

It was demonstrated that the outcomes of decentralisation depends on the context, details, design, and political motivations of the ruling elite (Cabral, 2011; Crook, 2003). Decentralisation is capable of enhancing service delivery, spurring accountability, creating a democratic space, while offering stability against future conflict. However, when it is used as a vehicle for rent distribution to facilitate patron-client relationships, the outcomes usually entrenches central power. Service delivery and pro-poor outcomes in this context are arguably not the primary agenda. Indeed, in most SSA nations decentralisation has been neutralised by elaborate central supervision and control (Faguet, 2014).

Sequential theory offers an understanding into the preferences of national and subnational units. Political decentralisation was only observed to have occurred significantly in Kenya, which offers the election of both subnational executive and legislative positions, with less noticeable deconcentration. Whereas, fiscal decentralisation varied, with all the subnational units observed. In terms of adequacy of funds, all the comparators were found to be reliant on national transfers which constituted a majority of their revenue. Uganda by overall magnitude as a percentage of national government revenue had the highest allocation. Ghana and Kenya relied primarily on their constitutional allocations. What was key was the extent subnational units had the autonomy to utilise central funding towards their own interests. In this regard both Ghana and Uganda had a significant presence of deconcentrated officials and conditional grants that provided the center control over application of revenue. The same was not the case in Kenya, where a majority of revenue was controlled by subnational units.

It was discovered that Kenya offers the most autonomy, with the provisions set out in the constitution, offering planning, budgeting, and independent execution within mandated frameworks. Ghana followed, however the presence of deconcentrated officials and political appointees in the subnational executive undermined arguments in relation to outright autonomy from national interference. Uganda, similarly, had the presence of deconcentrated officials, and a system of conditional grants that proportionally provided the majority of funding locally, arguably permitting the center the ability to dictate terms.

In Ghana and Uganda, administrative decentralisation demonstrates the ability of deconcentrated officials to perpetuate central interests rather than those of subnational units. This was mirrored by unit proliferation, which on the surface is justified as a means of 'deepening decentralisation' and enhancing service delivery, however, practically it is more likely to lower the economic viability of units, making them more reliant on the center, erode local opposition powerbases, and contribute to a loss of bargaining power (Green, 2008; Grossman and Lewis, 2014; Ssonko, 2013).

This chapter highlighted the unique circumstances and framework of the Kenya's decentralisation process in relation to the SSA region. It was found that Kenyan decentralisation appears to be thoroughgoing, which presents questions as to what the possible consequences of the process may be. The outcomes of decentralisation in Kenya are examined especially in relation to the agricultural sector in the next chapters. What is being sought is a clearer understanding of the effect of decentralisation on service delivery in a clientelist political settlement.

CHAPTER IV

THE AGRICULTURE AND FOOD AUTHORITY

Introduction

This chapter seeks to analyse, the circumstances that led to the ascension of the Crops Act (2013)[1] and Agriculture and Food Authority Act (2013),[2] after a decade of public policy malaise in the creation of the Agriculture and Food Authority (AFA), how AFA changed the agricultural crop sectoral structure, and the implications of the creation of AFA. The importance of the agricultural sector to the Kenyan economy is highlighted by the rent structure and historical interests from local elites and intermediate groups which created a unique political settlement, whereby substantial interests in the positive net benefits derived from agriculture muted the urban bias found in many Sub Saharan African (SSA) states (Bates, 1981; Lipton, 1977; Poulton and Kanyinga, 2014a).

This chapter will examine, amongst other things, how the Crops and AFA Acts (2013) centralised all former agricultural crop parastatals into a single Semi-Autonomous Government Agency (SAGA), incorporating the constitutional reforms of 2010, by separating the national and county responsibilities which arguably shifted the means by which rent-seeking occurs, with the center enjoying a considerable amount of responsibility in relation to counties which merely were meant to 'implement' policy (The Government of the Republic of Kenya, 2010). Notably, this chapter also utilised primary empirical evidence, mainly from semi-structured interviews at phase I and II.

In the fourth era (2003-2013) *table 5*, policy reforms within the sector were encapsulated in the Economic Recovery Strategy for Wealth and Employment Creation (ERS) (2003-2007), and the Strategy for Revitalisation of Agriculture (SRA) (2004-2010*), which identified amongst other things that the sector required legal reform in terms of streamlining the plethora of bureaucratic legislation and institutional restructuring. AFA embodied this step by restructuring legal provisions and amalgamating all the former parastatals in the agricultural crop sector, except for the National Cereals and Produce Board (NCPB), which arguably is the preeminent parastatal in terms of rent redistribution to regional elites in the Rift Valley. Poulton and Kanyinga, (2014a) recognised that the National Rainbow Coalition (NARC) government in 2003 was determined to enhance the agricultural sector due to its central role in the economy. However, due to the failure of collective action, partially as a result of numerous prevailing interests in the ruling coalition's clientelist political settlement, what initially occurred (2003-2013) was the creation of multiple ministries which were loosely based around ethnic interests, and the rents that could be derived from the control of various formal institutions, under the Agricultural Sector Development Strategy (ASDS) (2010-2020).

[1] Assented January 14, 2013 – Commenced August 1, 2014.
[2] Assented January 14, 2013 – Commenced January 17, 2014.

Overall, the framing of the agricultural sector intersects with the broader political settlement of the nation, in which the role of decentralisation historically remained divisive regarding the formal structure of rent distribution in Kenya. The policy origins of AFA will be explored, for it seemingly emerged out of a policy lacuna[3] that did not align with public policy (ASDS). The effect of AFA was to formally transform the structure of the sector. This Chapter explores the reason and implications around the creation of AFA.

Agricultural Public Policy Reform (2003-2010)

In Chapter II, an exploration of the policies on the 2003-2010 period were examined. This period witnessed numerous developments in public policy at the national framework level with the ERS (2003-2008) and Vision 2030 (2008-2030). This broader agenda informed sectoral reforms, which in the agricultural sector led the creation of the SRA (2003-2014*), and the ASDS (2008*-2020*) respectively.[4] One of the core themes of the SRA was to deal with ineffective public bodies that had captured various value chains, stifling productivity with unproductive redistributive rents being the hallmark of a majority of the agricultural parastatals. Legal reform and privatisation were key to the changes, that sought to scale back public sector involvement in the sector. Overall, the SRA sought to horizontally centralise national agricultural institutions. However, politics and public policy does not operate in a vacuum. The two grand coalition governments of the period, and post-election violence inhibited the implementation of SRA measures. Arguably, this was due to varying political interests that deemed the previous status quo as more beneficial.

As part of the National Reconciliation Process in 2008, Ruto, a Kalenjin, negotiated that he should be made Minister of Agriculture (2008-2010). His tenure saw, the replacement of the SRA for the watered-down ASDS in an apparent response to Vision 2030, and an unprecedented annual expenditure by the national government from 2009, on the purchase of subsidized fertiliser to be distributed by the NCPB on the pretence of protecting smallholder farmers (Government of Kenya, 2009).

Since 2009, fertiliser subsidies have dominated national agricultural expenditure, outside irrigation, which was considered separate from agriculture until 2018, when the Ministry of Agriculture, Livestock and Fisheries (MOALF) merged with irrigation in 2018 (MOALFI). A decade after the implementation of the subsidy program the prevailing sentiment was that it "ended up being controlled by large-scale farmers".[5] This subsidy and the historical role of the NCPB as an institution which Rift Valley elites rely on for their rent transfers was covered in Chapter II, demonstrating the importance and role of agricultural sector in the distribution of rents.

Furthermore, no concerted measures were taken to evaluate the impact of the subsidy on production, yields (*see figure 21)* and/or farmers' wellbeing, with attempts "being blocked".[6] Overall, smallholder farmers did not benefit from the annual rent which goes against the *raison d'etre* of the

[3] AFA website claims the AFA is a result of the SRA – "The Agriculture Sector Reforms began in 2003 with the formulation of the Economic Recovery Strategy for Wealth and Employment Creation (ERS) and the Strategy for Revitalization of Agriculture (SRA). The Sector reforms were aimed at reviewing, updating and harmonizing the legal framework that would rationalize multiple legislation and regulations governing the sector." Authority, A. a. F. (2017). "Agriculture and Food Authority (AFA)." Retrieved 28.04017, 2017, from http://www.agricultureauthority.go.ke/index.php/background/.

[4] Both the SRA and ASDS were discarded prior to their stipulated conclusive dates. The SRA in 2010, and the ASDS in 2019 (however, the ASDS did not reflect the provision of the 2010 constitution. Therefore, it was debatably ineffective from 2013).

[5] ISS45

[6] ISS47

program. Additionally, the price control on the purchase of maize, with its continual failure to meet domestic demands leading to duty-free windows, where the same producers and processors are key importers, highlights the importance of the NCPB to the elites that benefit from its existence. Ruto, having played a pivotal role in securing rents for ethnic communities in the Rift Valley, emerged from the Ministry of Agriculture as a frontrunner of the Kalenjin community, with his new United Republican Party (URP), which eventually teamed-up with Kenyatta for their 2013 presidential anti-ICC bid that united Agĩkũyũ and Kalenjin peoples. Overall, this period witnessed several key formal institutional changes in the sector, however, as addressed in Chapter II, the politically competitive nature of the NARC regime altering the effectiveness of these instruments.

The ASDS and Agriculture

Post-electoral violence in 2007/08 compelled the ruling coalition to sue for peace which took the form of a reprioritisation of the constitutional make-up of Kenya. The shift in weight and the shape of devolution was notably not entirely addressed in the agricultural sector until 2013 with the Crops and AFA Acts, however initially the overriding policy framework took the shape of two key policy decisions, namely the ASDS and Vision 2030that borrowed heavily from the ERS creating a series of successive 5-year Medium Term Plans (MTPs) that also provided objectives for agriculture.

"AFA was born from Vision 2030",[7] the aims set out within the economic pillar on agriculture did not explicitly allude to the institutional overhaul, however the provisions therein provided the mandate to consider transformation on the basis of growth: "(i) transforming key institutions in agriculture and livestock to promote agricultural growth; (ii) increasing productivity of crops and livestock; (iii) introducing land use polices for better utilisation of high and medium potential lands; (iv) developing more irrigable areas in arid and semi-arid lands for both crops and livestock; and (v) improving market access for our smallholders through better supply chain management" (Government of Kenya and Ministry of Devolution and Planning, 2013). Despite the tenuous mandate, the institutional overhaul that eventually occurred in 2013 was unexpected. AFA recentralised the agricultural sector and provided control to the national government, side-lining the ASDS in 2013 (*figure 1)*.

In the period 2008-2013 several instruments were developed, that when read together broadly fail to complement each other, namely: ASDS (2010-2020), and the Constitution of Kenya (2010). ASDS "was a step back...[it] let every ministry come with their own document, agenda and budget"[8] recreating the plethora of rents and lack of cohesion witnessed in the decade earlier. This was in a large part due to the SRA attracting "many enemies",[9] who felt that its reforms had jeopardised their previous rents.

Moreover, ASDS failed to take into account the effect devolution would have on the sector, which is highlighted by its disjointed coordination mechanisms that were overhauled by the new constitutional framework, and sources of funding which changed with the creation of the Commodity Fund (CF), and redistribution of funding to subnational units. Notably, the 2010

[7] ISS61
[8] ISS47
[9] ISS47

Constitution at the Fourth Schedule Part II, in its brevity created uncertainty in relation to the responsibilities of national or subnational units within the sector. It was claimed that "the ambiguity was put in place to ensure that there was space for interpretation,"[10] with an expectation that future legislation would define more concretely the distribution of responsibilities.

This dissociative approach to policy development debatably occurred due to divergent interests and the lack of coordination between several taskforces that were responsible for the creation of the new sectoral policy, "when the ASDS was created there wasn't a full appreciation of the shape of decentralisation. There were different teams working on the Constitution and the Acts".[11] "The extent of the changes to the sector through devolution were not fully understood by the ministry, therefore the drafting of the role of agriculture was primarily left in the hands of lawyers and activists, who were more concerned to 'devolve', then to reflect national and sectoral interests".[12]

In response to Vision 2030, ASDS was created by a team from the Kenya Institute for Public Policy Research and Analysis (KIPPRA), a government Think Tank. Their proximity to the national government, and desk-study methodology excluded key stakeholders that arguably limited their autonomy. The result was a policy that carried on the least 'contentious' aspects of the SRA, while providing every relevant ministry with a 'section' where they could set out 'their' agenda.

The lack of participation by key stakeholders in the creation of the ASDS was best evidenced by its institutional framework[13]. The ASDS did not correlate with the new constitutional formal institutional reality of the sector: at the national level of the organisational structure, the Agricultural Sector Coordination Unit (ASCU) was hollowed out, finally being replaced in 2019 by the Agricultural Transformation Office (ATO), under the new Agricultural Sector Transformation and Growth Strategy (ASGTS 2019-2029); at the Ministerial level, the Inter-ministerial Coordination Committee (ICC) was reshaped; and at the local level, District Agricultural Development Committees (DADCs), didn't exist, as districts were made into Counties. In regard to its mid-term goals, ASDS did continue a public policy trend in aiming to, "divest from all state corporations handling production, processing, and marketing that can be better done by the private sector" (Government of Kenya and Office of the President, 2010, p. xiv). Though this was not enough to redeem the policy from its ineptitude at addressing the new constitutional reality. Almost in response to this failure came actual legal institutional changes that took note of the new constitution shaping the sector, in the form of the Crops, AFA and KALR Acts (2013).

The Creation of AFA

The creation of AFA was not path dependent. It broke away from the predominant public policy framework, surprising stakeholders by reasserting the SRA agenda. AFA was a result of the policy framework that begun in 2003 when the National Alliance Rainbow Coalition Government (NARC), under the leadership of Mwai Kibaki defeated the Kenya African National Union (KANU) leading to vast changes in the political economy of the state. As with KANU initially in

[10] ISS52
[11] ISS52
[12] ISS65
[13] "In October 2015, the Ministry of Agriculture, Livestock and Fisheries (MoALF) conducted an Institutional Architectural Assessment (IAA) to establish the institutional and policy landscape of the agriculture sector in Kenya. The IAA was an interim step in preparation for a Joint Agriculture Sector Review (JSR) that is conducted biennially under the CAADP Framework. The study found that poor sector coordination had resulted in reduced investments in the agriculture sector both at national level and in the counties" (Government of Kenya and Office of the President, 2010, p. 23)

the 1960s, a parallel can be drawn with the NARC party which consisted of a coalition of ethnic groups that rallied against inequity, best portrayed by the economic decline of Kenya, primarily due to the unproductive rent capture by formal institutions, and, narrowing redistributive rents within the elite coalition, as elaborated on in Chapter II.

Secondly, the process that created AFA was driven by key state bureaucrats, like the powerful Permanent Secretary of Agriculture at the time, Dr Romano Kiome, "that were interested in securing senior positions in the government after 2013".[14] Kiome, with the assistance of other notable bureaucrats like Kibaki's former Head of Civil Service and Secretary to the Cabinet, Francis Muthaura,[15] were able to align the interests of the previous decade that failed to witness a more substantial actualisation of the SRA, and Kibaki's ambition to complete the process. The creation of AFA would challenge the status quo, unlike the ASDS. Though to align all the prevailing interests it was imperative to create an institution that would reorganise the current distribution of benefits within the language of 'regulation', and not seek to unsettle the underlying holding power of groups within the sector. Notably, "AFA was a reaction to the agricultural sector's lack of a regulator"[16] for pests, standards *inter alia* fulfilling an operational gap in the sector while also providing the horizontal centralisation that the SRA had previously sought.

Thirdly, as explored in Chapter II, the Kenyan agricultural sector has historically been dominated by elites and intermediate groups that rely on the sector for a substantial proportion of the rents that they derive. Any modification to avoid being formally and/or informally altered to achieve an acceptable distribution of benefits, would require that these interests were earnestly considered and accommodated or risk being formally or informally modified to achieve an acceptable distribution of benefits, which would likely alter efficiency outcomes (Khan and Sundaram, 2000). Within the crops sector AFA was able to find a compromise that was acceptable. However, livestock and fisheries resisted the incorporation.[17] The general line of resistance from livestock and fisheries was on speciality issues and global industrial practice, which required institutional separation. Since, fisheries developed the Fisheries Management and Development Act (2016), whereas the anticipated Livestock Authority is still being negotiated.

Moreover, in the livestock sector, there were dominant powerful actors that likely opposed the institutional reform, the most notable being Brookside Dairy, the foremost producer of dairy products in the nation, which is controlled by the Kenyatta family. Outside dairy, the Kenya Meat Commission, and a plethora of other actors with significant market share were also seemingly opposed to have a new regulator, which eventually blocked their incorporation.

The crops sector, which involves the largest amount of interests, farmers, and provides the state with the largest share of forex, became the focus of the strategy. As mentioned, within all the Schedule 1 crops, only maize that is controlled by the NCPB did not get subsumed by AFA. The reasons for this are covered below.[18]

[14] ISS55
[15] Mr Muthaura, one of the ICC six, was transferred from his previous role to the Chairmanship of the Kenya Revenue Authority in the Jubilee government from 2014 till present (2019).
[16] ISS61
[17] See: 'Curtailing AFA'.
[18] See: 'The exclusion of the NCPB.

Agricultural Public Policy (2013-2017): AFA Reforms and Decentralisation

Poulton and Kanyinga (2014a), noted that the agricultural sector had traditionally played a central role in Kenya's political economy. Their examination captured the changes and institutional inertia in the agricultural sector during the 2002-2013 period. They highlighted that the insubstantial reforms regarding the SRA were primarily due to problems of collective action within a competitive political environment. Additionally, the failure of the SRA to achieve Kenya's political reforms was deemed to be a failure to seize a critical juncture (Acemoglu and Robinson, 2012). Their analysis did not anticipate the creation of AFA. It was expected that the pattern of patronage politics in the agricultural sector would perpetuate itself. To an extent, it debatably has, however, the creation of AFA within the context of decentralisation created new institutional dynamics that had previously been unforeseen. This dissertation took the opportunity to progress the analysis on the developments in the agricultural sector post 2013.

The Crops and AFA Acts were both assented on January 14 2013,[19] however they had varying commencement dates with the AFA Act superseding the Crops Act on January 14 2014, and August 1 2014, respectively. The timing of their assent was two months before the March 4 2013, elections in a period where the ruling coalition actors interested in the upcoming elections were campaigning, submitting their nominations, while various civil servants resigned from their posts to ensure they could run for election as per the Election Act (2011). It was in this environment where opportunity to pass legislation that had not been able to occur for a decade presented itself. "The Crops, AFA and KALR Acts all came into being on the last day of parliament sitting".[20]

Mwai Kibaki, the incumbent president during his tenure (2003-2013), had previously promoted the SRA as mentioned. However, the lack of tangible success regarding implementation in this period was the legacy of the multiple interest that had prevailed. As Kibaki was not eligible to participate in the election under the constitutional mandatory two term limit, he arguably had one last opportunity to recast the sector with a new policy outlook which would take into account the 2010 shift in the constitutional makeup of the nation. This as mentioned aligned the interests of various powerful bureaucrats at the national level and followed the previous decade of public policy reforms.

The resultant Acts harked back to the 2003 ERS framework, negating critical aspects of the ASDS. These Acts were debatably, a deliberate political manoeuvre by the center to restructure agriculture during a window of opportunity, with most of the senior politicians preparing for elections. However, the passing of the Acts did not enjoy unanimity amongst all elites and intermediate groups. As stipulated in Chapter II, Kenyan agricultural commodities and respective value chains are usually dominated by a group of ethnic actors that rent-seek to protect their interests. Parastatals were a key conduit in which such transfers occurred; it was broadly acknowledged that "parastatals [were] killing" the sector with the deadweight loss incurred from the redistributive practices that occurred, however these transfers provided political benefits. The creation of AFA meant that the entire crops, fisheries, and livestock subsectors would come under one institution

[19] The KALR Act was also assented on January 14, 2013, however it is not included as it is not pertinent to the narrative. KALRO centralised the research of agricultural crops mimicking the AFA's role in research and funding.
[20] ISS47

which would likely threaten such interests. The executive, Dr Kiome, and other bureaucrats sought to make this a reality.

On October 2012, Kibaki, the flag bearer of the Party of National Unity (PNU), one of the most powerful party's within the grand coalition government (2008-2013) that had been established after an outbreak of violence in 2007/8, formed a pact with Uhuru Kenyatta's The National Alliance (TNA) party that was vying for the presidency, that in short, PNU would fully support TNA and not field a presidential candidate in return for certain rents, as evidenced by members of PNU 'decamping' to TNA (Mathenge 2012; Correspondent 2014). This political compromise by Kibaki, to effectively withdraw PNU, bore fruit with the eventual electoral victory of Uhuru Kenyatta ensuring that the Agĩkũyũ baton was handed over back across the river Chania, with the previous rent-seeking providing a modicum of assurance that institutional changes like the Crops and AFA Acts would not be repealed prior to their commencement (Karimi and Ochieng, 1980; Mitullah et al., 2017).

Both the Crops and AFA Acts largely followed the SRA policy framework which called for a harmonization of the legal and regulatory structure of the agricultural sector.[21] The Crops Act created AFA, while the AFA Act 2013 sets outs its internal functioning. Whereas pervious public policy intervention in the 2003-2013 decade within the agricultural crop sector had been in the form of public policy, these Acts changed the scope by formally altering the institutional framework of the sector.

The provisions of the Crops Act 2013, which is the preeminent Act among the forenamed, is provided with authority over the governance of all First Schedule crops (which the act specifies and Cabinet Secretary may with discretion add to), whether privately or communally held as well as to farmers, farmers' organisations, cooperatives and community associations (Republic of Kenya, 2013). The sweeping scope, authority, and provisions for how the new devolved system of governance should be legally applied made this article of legislation, arguably the most prominent adjustment to the formal institutional constitution of the sector in decades.

For clarity, AFA and Crops Acts should be read as mutually reinforcing. The Crops Act set the tone by repealing several critical agricultural statutes,[22]ceasing the operation of the Tea, Coffee and Sugar boards amongst other prominent boards and authorities,[23] making them Directorates[24] under the new super-national structure of the AFA. Moreover, the Acts vested all the former liabilities and rights in the new Authority in accordance with the Transitional Provisions of the Constitution, 2010.

The formal institutional centralisation of the sectors' assets and liabilities created indivisibility debatably enhancing accountability for directorate performance, with a new framing of rent

[21] The following eight institutions earlier established under the laws repealed by the Crops Act, 2013: Kenya Sugar Board; Tea Board of Kenya; Coffee Board of Kenya; Horticultural Crops Development Authority; Pyrethrum Board of Kenya; Sisal Board of Kenya; Cotton Development Authority; and Kenya Coconut Development Authority.

[22] The Agriculture Produce Marketing Act (Cap 320), Canning Crops Act (Cap 328), Cereals and Sugar Finance Corporation (Cap 329), Coconut Industry Act (Cap 331), Cotton Act (Cap 335), Pyrethrum Act (Cap 340), Sisal Industry Act (Cap 341), Tea Act (Cap 343), Coffee Act (No 9 of 2001) and Sugar Act (No 10 of 2001).

[23] Horticultural Crops Development Authority, Pyrethrum Board of Kenya, Sisal Board of Kenya, Cotton Development Authority and Kenya Coconut Development Authority.

[24] The Coffee directorate, Tea directorate, Sugar directorate, Horticultural Crops Directorate, Fibre Crops Directorate, Nuts and Oil Crops Directorate, Pyrethrum and other Industrial Crops Directorate and Food Directorate.

distribution in the form of the Commodities Fund (Article 9(1)) (CF). The CF was established for the benefit of the Kenyan 'farmer' to provide farm improvements and inputs amongst other things by having the authority to collect, levies, fees, commission, and fund allocations from the National Assembly (Figure.16). This potentially significant amount of resources was to cut across previous local boundaries, centralise rents, and vertically determine their distribution. However, the post-2013 political institutional reality scuttled the potential of AFA.

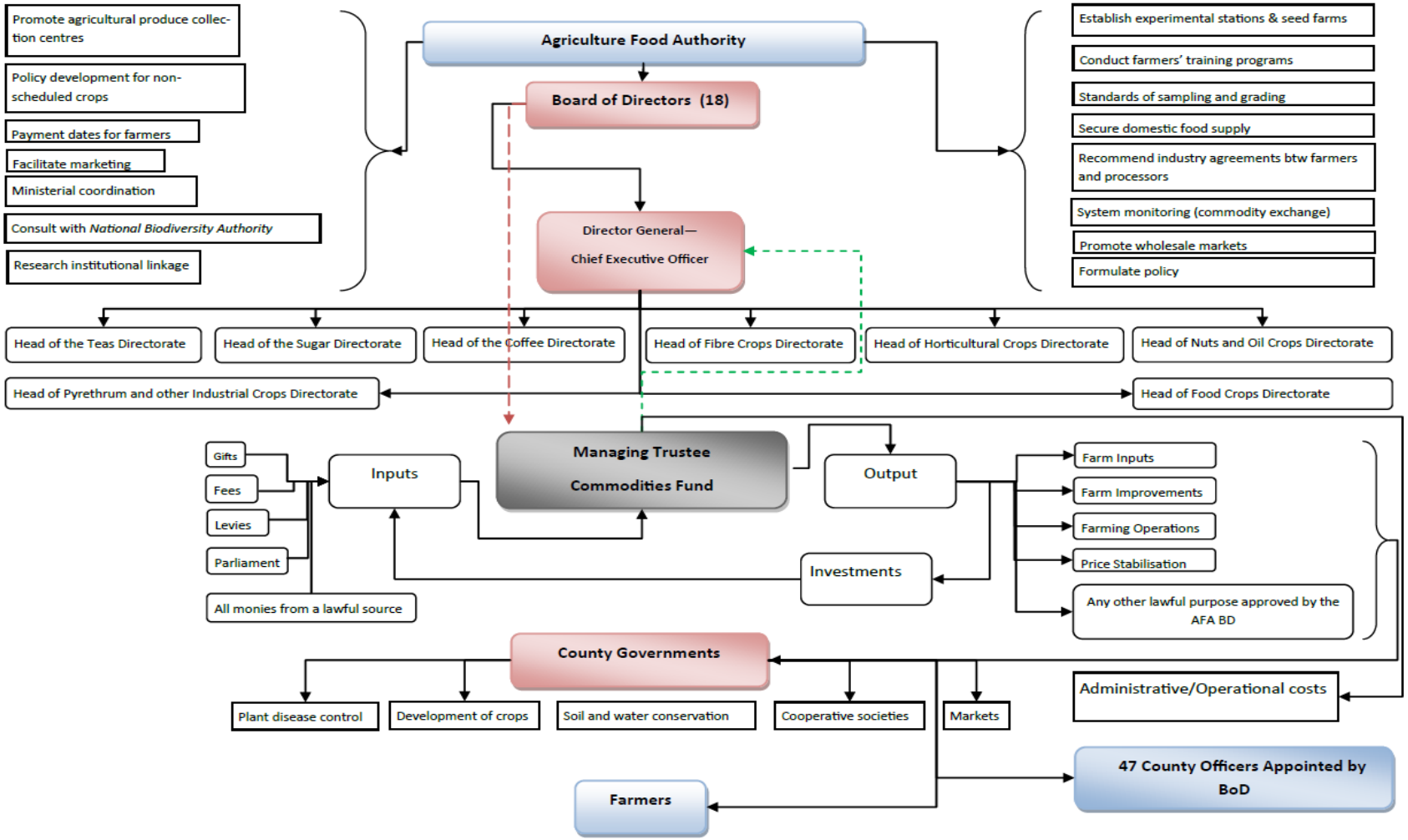


Figure 16. Structure of the AFA

Source: Author

Decentralisation and AFA

The institutional timing around the creation of AFA debatably failed to wholly appreciate the effect of devolution in terms of the shift in power to subnational actors. The role of governors and redistribution of rents to the subnational units played a vital role in the uptake of the proposed 2013 sectoral changes. As the line between national and counties remained ambiguous, the Council of Governors (CoG) took the stance that all agriculture is devolved, with the national government only responsible for policy development. AFA was viewed by subnational actors as an attempt by the center to redress the loss of the sector with an eye to maintaining the previous status quo.

Once again, as with the ASDS, albeit not to the same extent, public policy had failed to align with actual power in the sector. This phenomenon in the case of agriculture, it is submitted, is due to the importance of the agricultural sector and the competitive clientelist nature of the Kenyan political settlement, where elite groups seek to solidify their interests through formal institutional alignment that supports their patron client relationships. The institutional transformation that the Crops and AFA Acts did not anticipate was the opposition from County governments, and lack of central government support after Kibaki's term ended. The signing into law of the Act was "opposed by Ruto…"[1]and other groups aligned to him. Ruto, the former Minister of Agriculture (2008-2010) and head of the United Republican Party (URP), having merged with Uhuru Kenyatta's National Alliance Party (TNA) and the National Rainbow Coalition to form the Jubilee Alliance, became Vice-president in a successful campaign in 2013. AFA existed legally, however, its institutional structure began to be diluted under the new administration.

Division of Power (National-County)

The manner in which formal institutional decentralisation directly affects the agricultural sector is embedded in the Fourth Schedule of the Constitution (2010). The Schedule separates National and County government roles and responsibilities, however, in this case the omission of specificity debatably left room for interpretation, which the center obliged to clarifying in the shape of the roles that the Crops and AFA Acts set out. To press the point, the Fourth Schedule states that the National government is responsible for 'Agricultural policy' while the County Government is responsible for 'Agriculture', including: (i) crop and animal husbandry; (ii) livestock sale yards; (iii) county abattoirs; (iv) plant and animal disease control; and (v) fisheries. The omission of the full plethora of responsibilities at both national and county levels left a vacuum in which it is submitted the Government of Kenya under Kibaki filled in with the language of sectoral centralisation, defining the roles of the center and counties, with a bias that favoured national control of the country's primary economic sector.

The transition of power from a unitary state to a devolved state after the December 2013 elections, altered the formal institutions within the Kenyan political settlement, however despite this, the informal institutions remained largely intact. As a result of devolution, governors became the key actors in protecting the gains of the process, mainly in the shape of new forms of rents, and rent distribution that is earmarked at no less than 15% of all revenue collected by the government calculated on the basis of the most recent audited accounts as approved by the National Assembly

[1] ISS47

(The Government of the Republic of Kenya, 2010). The coalescing of governors' political power has been best demonstrated through the CoG, which is a political formation, that provides governors with the ability to enhance their organisational capabilities through collective action.

To date the most visible protest took the form of a movement, Pesa Mashinani (Money for the Grassroots), which called for a referendum, that would amend Chapter 12, Part I, Article 203(2), from the above mentioned 15% allocation of revenue to 45%, despite the national government consistently allocating revenue above the constitutional minimum as illustrated in *figure 22* in Chapter V. Notwithstanding, the CoG was unable to garner the required number of signatories to call for a referendum, however the process demonstrated that devolution in Kenya is intricately intertwined with resource distribution as counties outstrip even infrastructure in terms of allocation in the 2017-18 budget, with counties being provided with the financial capabilities and political autonomy to promote their interests *(figure 17)*.

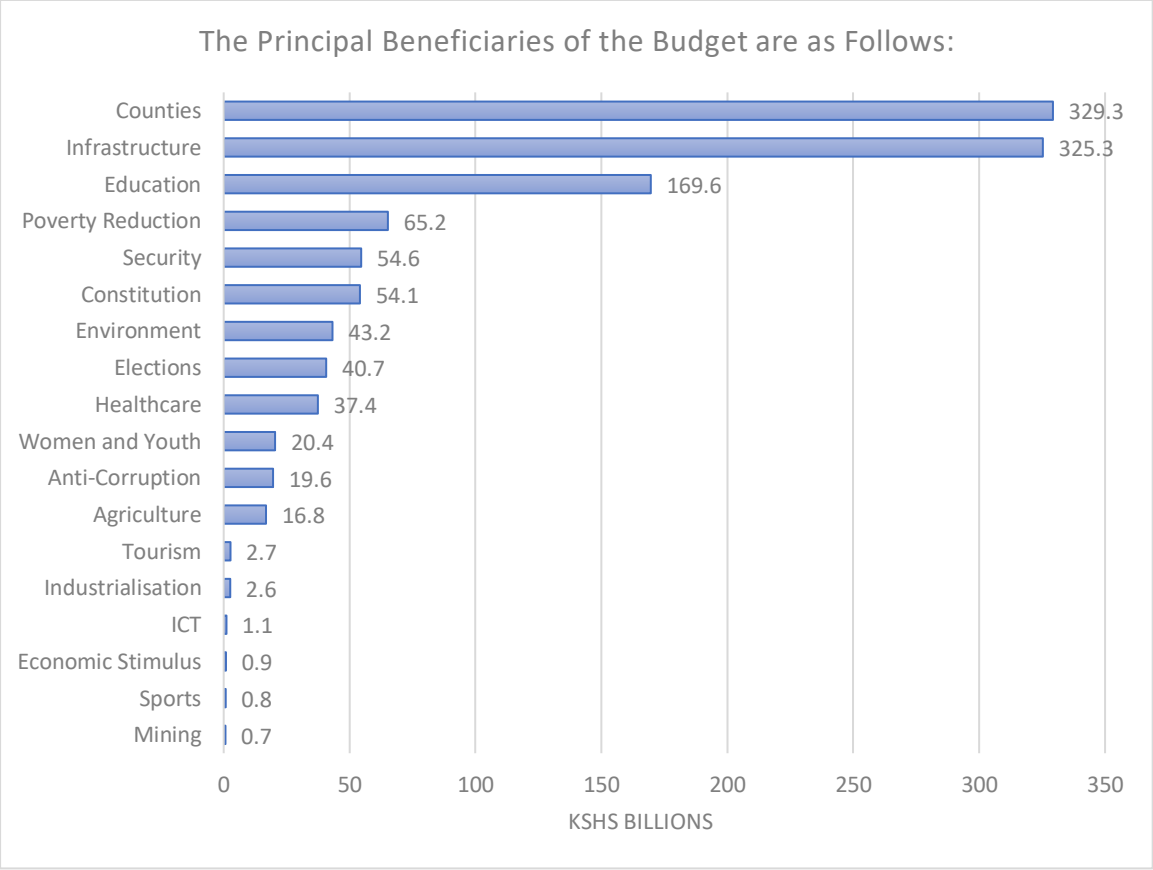


Figure 17. The Principal Beneficiaries of the 2017/18 Budget
Source: (Kenya 2017); Author's analysis

Division of Resources

Decentralisation was ultimately about the shifting of resources. It reconfigured the sector providing the prerequisite administrative, fiscal, and political decentralisation. The Crops and AFA Acts (2013) at Article 6(1) and Article 29 respectively, set out the boundaries in which the National and County Governments may extract resources from the agricultural sector (*Figure 17*). The relatively favourable environment the Kenyan agricultural sector has enjoyed historically was

maintained in regard to lower regional taxation of agriculture, with devolution, and the risk of 'double-taxation', being clarified by the Acts in the limits of benefits that can be derived.

These Acts set the rules for how the sector operates, with the National government as the primary beneficiary, an issue that county officials stipulated fell out of step, as they are primarily responsible. Moreover, these Articles reemphasize the role of the Center and its supremacy over the County governments that are simply meant to 'implement' strategy.[2] Apart from the potentially sweeping role that AFA had, the national government has a majority of representatives in the apex internal institutional structure of AFA once the board is properly constituted,[3] and pursuant to Article 209 of the Constitution while the national government may impose taxes and duties on scheduled crops, the County government may pursuant to the Fourth Schedule of the Constitution may only impose fees within caps as to the rates *(Figure.18)*.

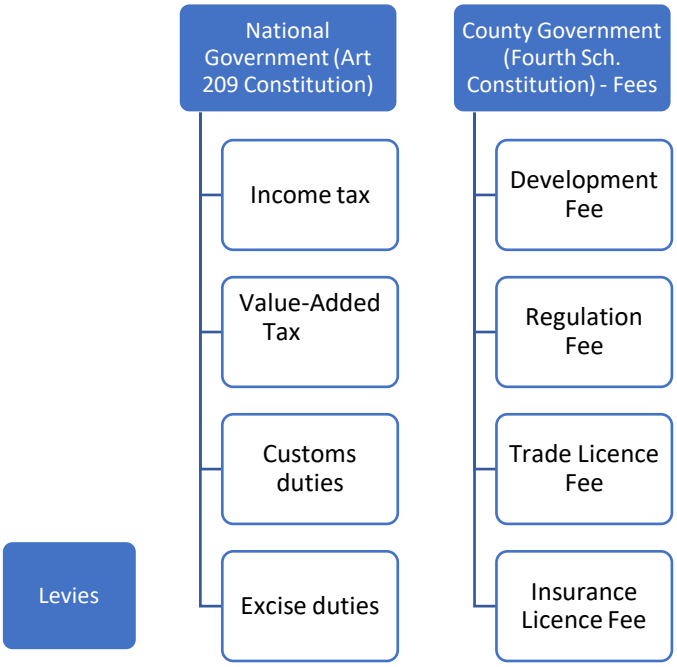


Figure 18. Licencing and Taxation Provisions
Source: Crops Act (2013); Author's adaptation

Curtailing AFA

The Post-Kibaki AFA, despite senior bureaucratic support, based on a previous public policy, was immediately resisted by elites, local capitalists, firms, and intermediate groups. Originally, AFA was envisioned as a monolith that would regulate the whole agricultural sector as the Agricultural Livestock, Food and Fisheries Authority (ALFFA). However, lobbying through Parliament witnessed the eventual amendment to the Act and its potential, "the withdrawal of livestock, followed by fisheries (these withdrawals occurred in parliament – probably in the special committees dedicated to agriculture)…what had been envisioned was a single board and institution to deal with the whole sector…The interests in the former two sectors were such that they

[2] Crop Act (2013), Article 6.1(b), "The County governments will implement the national government policies to the extent that the policies…(i) development of crops grown within the county; (ii) plant disease control; (iii) markets; (iv) cooperatives societies within the county; and (v) soil and water conservation.
[3] Board of Trustees.

prevailed upon the voices of reform".[4] From ALFFA (livestock, fisheries and agriculture), to AFFA (fisheries and agriculture), to finally, AFA. The next blow for AFA, was the failure of placement of senior bureaucrats from the previous regime in positions of management. "What AFA did was to take a great deal of the functioning of the Ministry and shift the balance of responsibility towards AFA".[5] It is was recognised that AFA and the ministry would have overlapping roles and the Authority may even overreach in terms of MoA functioning. Post-2013, this form mandate was no longer considered favourable to the interests of actors in the sector, especially with the rise in power of Governors who considered AFA as an attempt by the center to go against the spirit of the constitution.

Another significant blow to AFA came in 2016, when President Kenyatta suspended agricultural levies. Since 2013, "initially levies were a key area of conflict between the national and county government".[6] The issue primarily was presented as a conflict in the interpretation of the constitutional boundary, as agricultural levies benefited the national government, where counties argued that agriculture was a devolved function, and therefore they should be the primary beneficiaries. When Kenyatta scrapped the levies, he took the debate away from the politicians, seemingly calming the political tide, however the effect of the withdrawal of levies rendered AFA dependent "on the generosity of the exchequer".[7] Furthermore, the levies that were cancelled were not primarily for the benefit of farmers despite that being a suggested motivator, "the move was likely also set out to appease traders. The 'heavy levies' were more targeted on the millers, traders, exporters and producers".[8] In the past, a vast majority of the levies it was noted were "ploughed back into the sector…[to] research, commodity development, infrastructure etc".[9] This intervention by the executive with different priorities witnessed a shrinkage in the AFA budget and capabilities.

AFA as a regulator, as mentioned, is responsible for all the Schedule 1 crops. However, till 2018, the only loans and financial aid that it provided was to coffee and sugar, "we are only financing coffee and sugar because they are the only ones that had money [in 2013]. The integration of the Commodity Fund/AFA brought in all the other commodities",[10] but they did not have the same surplus. This was also "due to the failure to gazette regulations".[11] To fully operationalise, AFA regulations on every commodity under its ambit need to be gazetted. As a regulator the Authority requires the gazetting of the regulations to ensure that if it is enforcing specific provisions, they are legally enforceable. By 2018, not a single regulation had been gazetted. "Regulation gazettement has not occurred due to the 'push & pull' with AFA and Council of Governors…the conflict has led to several cases in court, for example *Judicial Review 219/314 of 2016*…"[12] the key issue around the case involved coffee stakeholders petitioning the court on the basis that the regulations that were developed, occurred without adequate consultation and public participation. The decision

[4] ISS52
[5] ISS55
[6] ISS44
[7] ISS44
[8] ISS46
[9] ISS52
[10] ISS62
[11] ISS46
[12] ISS61

was upheld, and new regulation development was ordered with concerted participation with stakeholders. It eventually took Kenyatta's intervention in 2016, by taking charge of the coffee sector reforms, placing the Coffee Sector Implementation Committee under his office, that has witnessed the development of enforceable regulations. The most prominent being a Ksh 3 Billion annual fund and the banning of the export of non-processed coffee (Kwamboka, 2018). However, this only applied to the coffee regulations, with the rest at various stages between AFA, MoALF and the AG's office.

Another of AFA's institutional fissures came with the 'splitting' of AFA from the Commodity Fund (CF), its primary financing vehicle. As suggested in *figure 16* the commodity fund was part and parcel of AFA. This was a fund established under the Crops Act Article 9(1) to provide "sustainable and affordable credit and advances to farmers for farm improvement; farm inputs; farm operations; price stabilization; and any other lawful purpose approved by the Authority" (Republic of Kenya, 2013 Art.10(1)). The fund was essentially the successor of the former Coffee Development Fund and Sugar Development Fund (which was part of the coffee and sugar boards). This provides insight into the rationale, on why CF had only funded coffee and sugar during the research period (2013-2018), as a matter of policy, not law (*table 13).*

Loan Products	**Activities Financed**
Short Term Loans	
Coffee Processing Loan	Fuel and lubricants; maintenance and repair of coffee factories; and purchase of coffee processing materials
Coffee Advances	Purchase of inputs; Labour; and Transport
Cherry Advances	Labour; processing of cherry; and transport of cherry
Medium Term Loans	
Extended Advance	Purchase of farm inputs; labour; and transport
Bulk Acquisition of Farm Inputs	Inputs; and transport of farm inputs
Wholesale Lending	Primary production activities; wet processing & dry milling; and cherry and parchment advances
Cane Maintenance Loan	Fertilisers; ploughing and weeding; and procurement of agrochemicals
Factory Rehabilitation Loan	Rehabilitation of machinery; refurbishing equipment; and procurement of spare parts
Agro-Processing Loan	Working capital including stocks
Long Term Loans	
Coffee Establishment Loan	Land preparation; seeds; establishment of nursey; inputs; labour; and transport of seeds and manure

Cane Establishment Loan	Land preparation; weed control; fertiliser; procurement of cane
Machinery and Equipment Loan	New machinery; processing and milling machinery; farm implements; factory equipment; weigh scales; branding and packaging equipment; and roads rehabilitation machinery.
Infrastructure Loans	Construction of factories; storage facilities; security walls; and offices
Water Development/Irrigation loans	Drilling boreholes; construction of dams & water tanks; purchase of water tanks; water harvesting/pumping/purification systems; irrigation systems; and fertigation systems

Table 13. Commodity Fund Loan Products (2017)
Source: AFA[13]; Author's Analysis

The Crops Act (2013) at Article 9(3) provides that "the fund shall be managed by a Board of Trustees to be appointed by the Cabinet Secretary". This is informative as it provides that the fund was meant to have additional oversight, however, what had occurred by 2016 was a complete physical (different offices), and institutional separation, "we don't suffer like AFA. We are independent. That's why we aren't under AFA…We want to get our own resources, so we don't need the ministry anymore. We are an agency of the MOALF".[14] There was no legal instrument that supports this claim of a change in status, which was supported by the interim AFA Managing Director who claimed that there was no separation, citing "personal issues".[15] However, it was evidenced that the sources of funding and management of AFA and the CF were separate, "[AFA] gets money from the government, though we don't".[16] Research revealed that the fund was making unilateral decisions outside the influence of AFA. There were claims that the support that is provided is mutually beneficial,[17] however, the two institutions were also mutually exclusive. Despite these institutional changes, it was decentralisation, and its effect on AFA that ultimately limited its political mandate.

Strong formal institutional alignment with AFA

Briefly, tea and horticulture are the two most successful subsectors within agriculture. The Kenya Tea Development Agency (KTDA)[18] is 'farmer-owned.' It controls, regulates, supplies inputs, and provides general support along its value-chain. Ochieng, (2007) refers to KTDA's institutional framework as a form of positive deviance,[19] that has historically set it aside as an institution that has largely managed to avoid the perennial inefficiencies witnessed in other subsectors, such as timely payments to farmers, access to extension services, and access to affordable inputs.

Furthermore, the KTDA was incorporated on June 15, 2000 as a private company managing 69 factories in the small-scale tea sub-sector, making it one of the largest. The creation of the Tea

[13] ISS63
[14] ISS62
[15] ISS53
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[17] ISS62
[18] Formerly, the Kenya Tea Development Authority (KTDA).
[19] "Defined as intentional behaviour that significantly departs from the norms of a referent group (in honourable ways) to create social, technical, institutional, organizational, and policy innovations, whether embraced and amplified by the referent group or not. Referent group can be organizational, industry, and business practice norms" (Ochieng, 2007, p. 6).

Directorate with its limited mandate[20]did not significantly affect groups in the sector which may have considered overt reform in conflict with their interests. Another critical aspect was the location of production of tea and horticulture. Unlike coffee, tea grows in Central, the Rift Valley, and some parts of former Nyanza, whereas horticulture is primarily in Naivasha[21], Kirinyaga, Machakos, Makueni, Taita Taveta and Narok counties and decentralised across a variety of producers.

During the third era (1980-2003), Moi demonstrated the role of the executive in agricultural outcomes by actively targeting the coffee sector. The beneficiaries from coffee were mainly from central province, or GEMA. To undermine the benefits they derived, the sector was weakened with reduced public support in a time where coffee prices internationally had dropped (1970s). With the advent of the SAPs, which reduced government support further, Kenya's previous trajectory in the sector was significantly diminished.

Tea was different, it was geographically decentralised with both GEMA and Kalenjins benefitting from its growth, which likely stayed the hand of state interference, with tea remaining Kenya's chief single commodity exchange earner. "In 2017 Kenya exported 415,700 tons, maintaining its status as the world's largest tea exporter" (Gro-intelligence, 2018). The AFA Act, did not propose a change to the structure of the KTDA or alter the lucrative horticultural sector practices, save to dissolve the Tea Board of Kenya and the Horticultural Crops Development Authority boards. Finding little resistance from the private sector due to changes that only affected regulation, which both sectors, competing on the international market already prescribe to, hence, AFA was not deemed to be a threat. As highlighted by *table 14* the general trend in the tea sector since 1961 has been of gradual steady growth driven by area under harvest despite the changes in public policy and executive interests.

[20] The Tea Directorate is mandated to: License tea manufacturing factories; Register buyers, brokers, packers, Management agents and any other person dealing in tea; Promote Kenya tea in both the local and the international markets.
[21] Naivasha predominantly has floriculture. The other mentioned counties are more heavily focused on the production of fruits and vegetables.

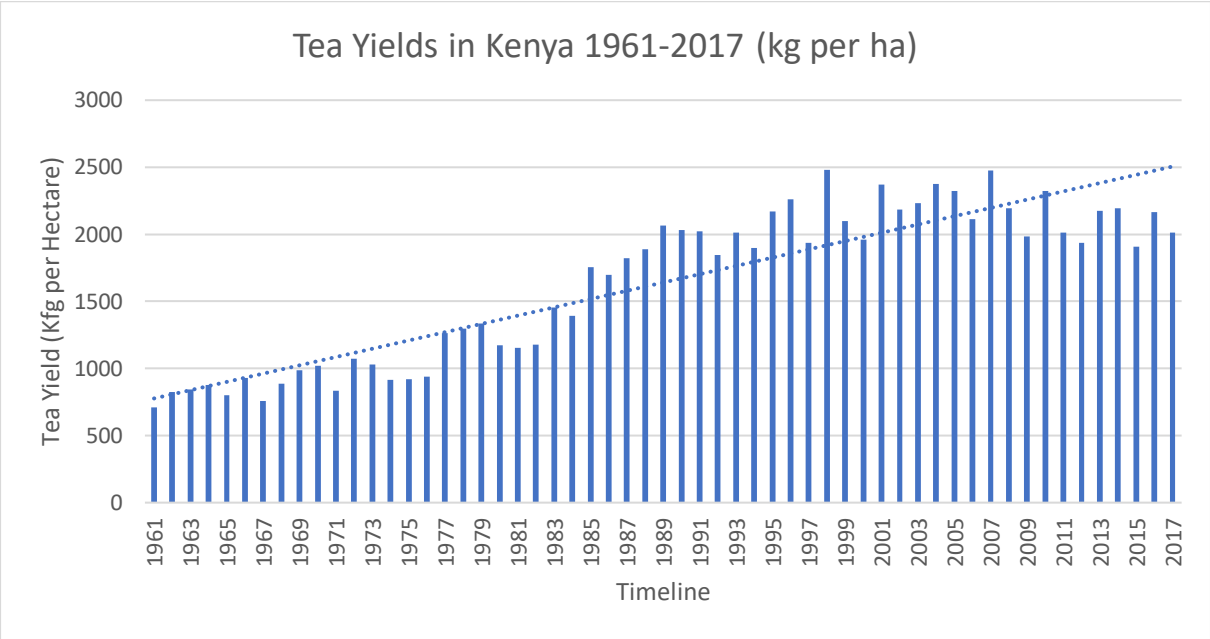


Table 14. Tea Yields in Kenya (1961-2017)
Source: Kenya National Bureau of Statistics (2018); Author's Analysis

Strong informal interest alignment with AFA

The sugar and coffee subsectors have not enjoyed the illustrious trends of the former subsectors. Notably, the ailments of the sectors are well known. Multiple taskforces[22] since the early 2000s have been commissioned under the relevant ministries, seeking to provide policymakers with the information they require to attend to the respective institutional failures that have been witnessed.

Sugar is grown primarily in Western Kenya and Central Nyanza. Despite having the potential to be a significant actor in Kenya's economic development this has largely not been the case. Since pre-independence, the public sugar sector has gone through neglect and mismanagement, despite the initial investments by Asian African in 1903, rendering Kenya perpetually sugar deficit (Wanga-Odhiambo, 2016). "Corruption, corruption,"[23] was the general mantra from respondents when asked about the general state of sector.

The 1980s were considered to be a turning point for the then burgeoning sector, "at one-point Mumias [the largest state-owned sugar factory] covered all its operational costs and that also included expanded practices of production of ethanol, electricity, molasses and other key by-products. Today we can barely pay wages and farmers".[24] The myopia of corruption aside, a thorough examination reveals that it is the structural dynamics of the sector that have significantly contributed to the sector's stagnation.

[22] Report on the Task Force on the Sugar Industry Crisis (2003); Task Force Report on Coffee Marketing (2003); Revitalization of the Sugar Industry (2006); and the Report on the National Task Force on the Coffee Sub-Sector Reforms (2016).
[23] 5B2
[24] 5B2

"There are [2017] 11 'functional' mills[25] with the capacity of processing 40,000 tons of cane…conversion into 4,000 tons of sugar. Kenya requires less than 2000 tons a day *[figure 19]*. Despite the potential Kenya fails to make a surplus…this is primarily due to the genesis around the production of sugar in Kenya. Initially, production of sugar in Kenya was based on social and political goals…the goal was to absorb labour and reduce urban-rural migration while providing local economic conditioning for continued stability – matters of economic growth and competitiveness were not at the heart of the policy…".[26]

Figure 19 highlights the noted deficit and steady growth of imports since the 1980s which has sought to bridge the gap.

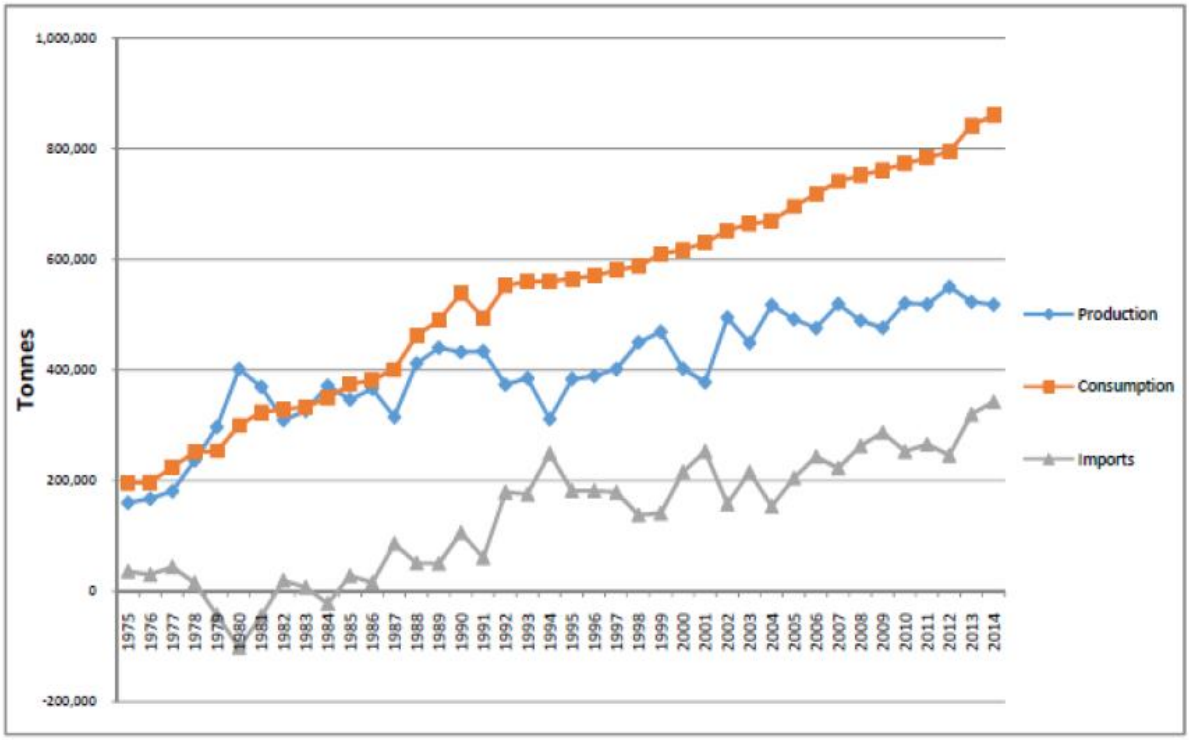


Figure 19. Sugar Production, Consumption, and Imports (1975-2014)
Source: Kenya Sugar Board Yearbook Various Issues

The institutional problem with the sugar sector is multifaceted. Unlike in the tea sector, smallholder farmers are represented by Outgrower Institutions (OGIS) which include Outgrower Companies, Societies, Unions, and SACCOS. They are meant to draw their membership from sugarcane farmers having been established by the government as channels for the mobilization of farmers, and access to credit from the Sugar Development Fund (SDF) (The Sugar Campaign for Change, 2003). Since 1995, they were receiving loans from the SDF which were found not to permeate down to the farmers, being captured and squandered leaving the farmer groups in debt and without the intended benefits (The Ethics and Anti-Corruption Commission, 2018). To compound this the Kenya Sugarcane Growers Association (KESGA) which was created by the Sugar Act 2001

[25] Government owned factories: Miwani Sugar Company Ltd (1927 – Currently closed); Muhoroni Sugar Company (1964); Chemelil Sugar Company Ltd (1965); Mumias Sugar Co. Ltd (1966); Sony Sugar Company (1964); and Nzioa Sugar Co Ltd (1978). Private owned factories: West Kenya Sugar Company Ltd (1979); Kibos & Allied Sugar Co. Ltd; Butali Sugar Co. Ltd; Soin Sugar Co. Ltd; Transmara Sugar Co. Ltd; Sukari Industries; and Kwale International Sugar Company Ltd (KISCOL)(2013).
[26] ISS67

was meant to be a farmer led organisation made up of branches that would have a national apex that would act as a spokesperson for farmers interests. However, disputes on the leadership between outgrower institutions and interests that considered individual representation rendered KESGA unable to perform its functions adequately.

Amplifying all this was the pervious apex regulatory body, the Kenya Sugar Board (KSB). KSB was deemed to have failed to implement the Sugar Act (2001), holding the interests of elites, and intermediate groups above those of individual cane growers:

> "Incidence of corruption cited most often include the appointment of chief executives of mills, the employment and promotion of staff in mills, theft of sugar from factories, the process of accessing loans from KSB....Mega-corruption is reported to occur between KSB officials, managers of Mills, managers of Out-grower institutions and Senior Ministry officials to gain advantage in the distribution of the Sugar Development Fund (SDF)" (The Ethics and Anti-Corruption Commission, 2018, p. xi)

Moreover, as mentioned above, "rudi shambani (return to the farm)"[27] a policy developed by Jomo Kenyatta in the 1960s when Kenya began to develop most of its public sugar factories was a strategy "to curb unemployment by creating employment in rural areas…the creation of Mumias, Sony etc…were created as an act of welfare".[28] The government was not invested in productivity of sugar the same way it was invested in tea, as a foreign exchange earner. To compound this, the ethnic groups that predominantly grew sugar (Luo and Luhyia), in the late 1960s and 1970s in Western and Nyanza were not in power with Oginga Odinga considered opposition. As discussed in Chapter II, the outcomes of commodities have also been determined by the ethnic groups that dominate their value chains, with benefits following groups that contribute to the holding power of the ruling coalition.

The sector catered to elite and intermediate interests, however the government seemed to historically fail to attend to matters of productivity. "The most important issue is still the lack of the political will in the government to support the sugar industry "(Wanga-Odhiambo, 2016, p. 270). This was evidenced by the liberalization in the 1990s that exposed local producers to a more competitive international market. The SAPs required *en masse* liberalization in the agricultural sector, which other sectors achieved, though it was not the liberalization but "the opening up of the market before sufficient development had been carried out to make local sugar competitive" that hampered the sector further (The Sugar Campaign for Change, 2003, p. 5).

Liberalisation highlighted two critical institutional shortcomings of the sugar sector, the lack of plantations, and a lack of a single desk marketing system. The dominant competitive practice in the sugar sector globally has been the reliance of plantations for scale. Arguably, the same can be said for tea, which is primarily produced by smallholders, as is sugar in Kenya, therefore, Kenya may have established another exception, however, the ecology of the crops themselves is telling. Tea is a high value, export driven, perennial crop that is harvested all year long. Whereas, most sugarcane varieties in Kenya require 18 months prior to harvest with lower returns per kilo.

[27] ISS57
[28] ISS57

Furthermore, it is noteworthy to understand that farmers essentially lease their land to sugar factories, that contract third parties to perform everything from the planting, to the harvest of the crop. Once the built-in costs of outgrower companies, which were found to inflate their services[29]were considered, the potential profit for farmers is significantly reduced. Without the economies of scale many smallholders found themselves not making the profit they expected, being caught between inefficient companies, and 'farmer' groups that failed to represent their interests.

Finally, most if not all other major sugar producing states have a single desk marketing system, Kenya does not. Notably, every country that utilises this framework is a net exporter. Single desk marketing assists in providing a coordinated, efficient overview on demand and consumption data to allow for effective regulation on sugar imports and exports. It was estimated that "at least 5 billion shillings is lost annually to a few traders through the current uncoordinated marketing system" (The Sugar Campaign for Change, 2003, p. 12).

Moreover, the public sugar sector due to the lack of productivity and mismanagement, as mentioned, has historically accumulated significant debt which the government has underwritten, highlighting further the incentive alignment problems in the sector *table 15*. In light of this, it would seem that the preservation of the sugar sector would have been the interests of elites and intermediate groups that had historically benefited from the inefficiencies. However, AFA offered them an opportunity at privatization that had not been present prior.

Government Mill Debt Portfolio (30.06.18)[30]

Mill(s)	Kenya Shillings
Chemelil Sugar	6,716,584,991.00
Nzoia Sugar	45,925,210,172.00
Mumias Sugar	25,171,795,000.00
South Nyanza Sugar (Sony)	7,824,567,000.00
Muhoroni Sugar (In receivership) – Pre and Post receivership debts	24,122,332,594.00
Miwani Sugar (In receivership) - Pre and Post receivership debts	23,977,780,080.00
Total	**133,738,269,837.00**

Table 15. Government Mill Debt Portfolio
Source: Otieno (2015)

Sugar and Maize have enjoyed a highly similar policy trajectory, though maize did not get centralised, being preserved under the NCPB. A key difference is that maize is the preeminent political crop in the nation. The maintenance of price stability, to maintain food security, control inflation, and ease the household expenditure burden of rural and urban poor are key considerations of the government. Furthermore, both commodities cater to the domestic market,

[29] Land preparation, credit, fertiliser, weeding, and pesticides.
[30] Debt figures compiled by the Sugar Directorate extracted from the Mills audited accounts.

which, when combined with the annual import duty-free window, had created an environment for unproductive rent-seeking. In both sectors, millers are actively involved with the importation of the commodities, which creates a conflict of interest (Raballa, 2018).

Arguably, both sectors have been captured by millers and processors that are disincentivised to enhance production due to the rents they receive from their respective annual deficits, debatably evidenced by the increase in imports prior to the 2017 elections (*figure 20)*. Furthermore, dominant private interests have sought to privatise the sugar sector, and it was this historical aim that arguably worked in AFA's favour.

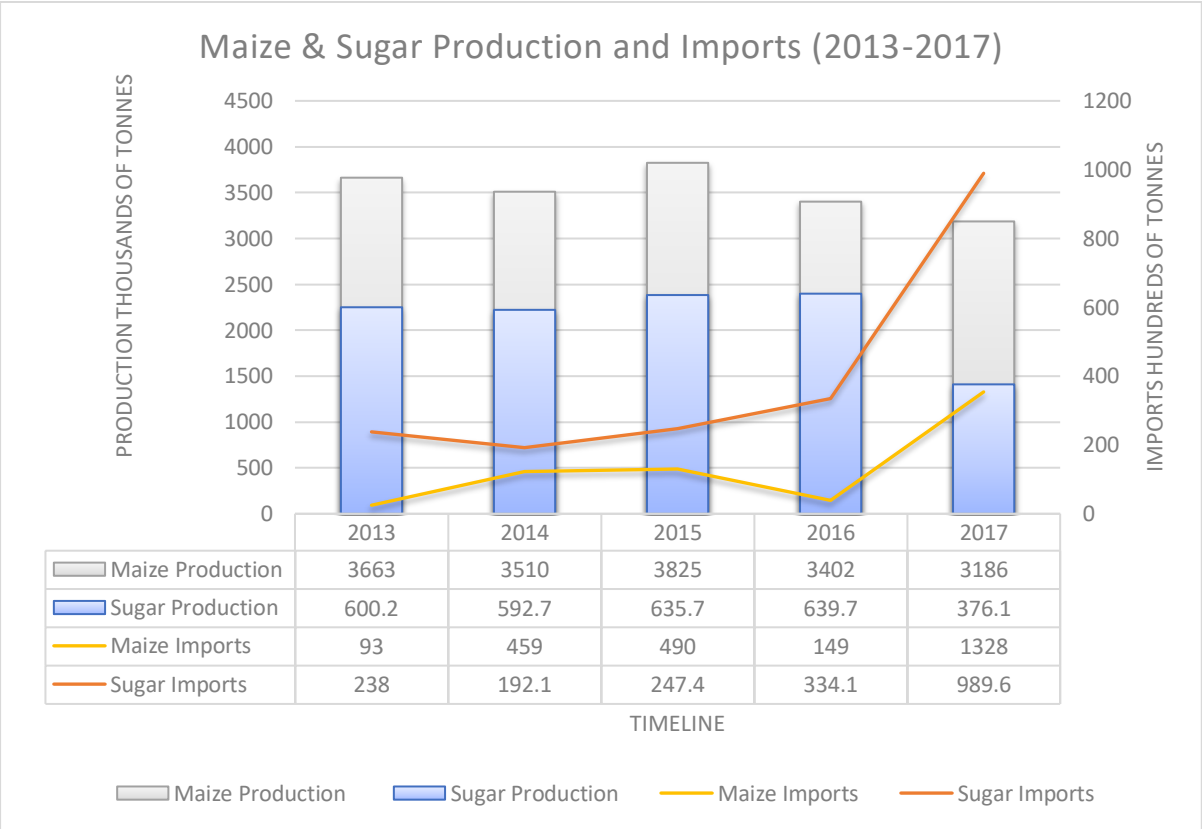


Figure 20. Maize & Sugar Production and Imports FY 2013-2017
Source: Kenya National Bureau of Statistics (2018); Author's analysis

The 'cartels',[31] which are generally a small group of predominantly East African Asians, who are involved with the importation of sugar, have also been instrumental in creation of deficits (Kisero, 2015). It is these same groups that have been identified as being the beneficiaries of 'competitive' import licences during periods when key commodities attract zero duty (Kenya Anti-Corruption Commission, 2010). Option 2 Ltd, that is associated to Ruto, "imported 60% of all sugar in 2017".[32] Shortages of sugar and maize create price hikes and in cases like 2017, duty-free windows when actors like Mr Ahmed Sheikh Dahir sought to sell contraband sugar worth millions using

[31] Key notable importers of sugar: Phil Mart Ltd; Hydery (P) Ltd; Pillar Mart Ltd; Hussabba Trading Company Ltd; Inland African Logistics; Emco (K) Ltd; Sirrocco Investment (K) Ltd; Fuikto Enterprises Ltd; Midland Emporium; and The Commodity House Ltd. Notably, there are associated companies in Uganda and regionally owed by the same companies which muddies the waters.
[32] ISS65

fake Kabras[33] packaging to reap benefits from the subsidy the government had offered (Munguti, 2018). Though the source of the sugar was not revealed, it was likely from Somalia, where the largest black-market commodity traded, is illicit sugar to the Kenyan market (Nation Team, 2018b).

With perpetual losses, the national government in 2013 applying SRA logic sought to sell-off its interest in the sector. Despite the likelihood of stiff opposition to AFA, there was one key political issue in the Sugar Act (2001) at Article 30[34] which provided adequate leverage. Article 30 referred to the 'Rights of growers', critically stating that any privatization would have entailed a 51% stake for growers in shareholding and representation within the Board of Directors. This had discouraged any privatization historically, however, the advent of the Crops and AFA Acts meant a repealing of all former legislation, "creating a new framework that would not include any of the provisions that had previously protected local grower interests…the wool was pulled over farmers eyes. This is why AFA had such broad-based support".[35] On this basis, local elites and private sector actors without the caveats presented in old instruments supported the development of AFA. However, one of the critical reasons why the sector had not undergone significant privatization during the duration of this research, was due to the resistance Governors posed to the sale of the institutions, which they claimed were county owned.

Coffee went from a key foreign exchange earner in 1963-1988, contributing to over 40% of total Kenyan exports, from a global market share of 3.1% in 1986, to 0.6% in 2006 (Gideon et al., 2013). "There are two distinct coffee marketing channels, one for the cooperatives, and the other for estates. The difference in the two channels is mainly at the primary processing level. The smallholder farmers (farmers with less than 2 ha under coffee) are required by law to sell their coffee through local growing cooperatives as compared to the estate farmers who have processing factories located in their farms" (Gideon et al., 2013, p. 199).

Since the 1960s, coffee estates in comparison to smallholder farmers have had a relatively constant output. The fluctuations in the sector were mainly borne out of the now defunct International Coffee Agreement (1962), which set production quotas, and the mismanagement of coffee cooperatives.[36] Cooperative mismanagement translated to reduced access to inputs, credit, and returns. The debts incurred by cooperatives increased deductions made by societies, leading to low payments. "Most cooperatives in Kenya have failed due to rent-seeking, and the political nature of the organisation that is not productive".[37]

Elites[38] like the 'coffee baron' Abraham Mwangi[39], captured the sector. Mwangi, was a grower, trader, regulator, dealer, and marketing agent. Once the former Kenya Planters Co-operative

[33] Kabras is associated to West Kenya Sugar Company that is chairman Jaswant S. Rai, a key factor in the Western Sugar belt region
[34] " Notwithstanding any other provision in this Act or any other written law to the contrary, growers shall be entitled to at least (a)51% shareholding of all privatized sugar factories; (b)51% representation on the Boards of Directors of milling companies The Government of the Republic of Kenya, 2001 (Art 30).
[35] ISS57
[36] "In the year 2006, there were 569 cooperatives, but even with this high number of cooperatives there was limited competition between them because farmers have to process cherries within 24 hours of harvest and with limited access to transportation" (Gideon et al., 2013, p. 199).
[37] ISS55
[38] Other elites, some of whom are deceased were: Stephen Kirubi Gatu (2006); Charles Kibe Karanja (2000); Zachary Gakunju (2008); Kiarie Mbugua; and Moses Mbugua.
[39] Also the proprietor of Raki Investment Nairobi and Wanutini B. Kitale.

Union (KPCU) chairman, he transitioned into various directorships in the Coffee Board of Kenya, and the Coffee Research Foundation (CRF) by 1984, which he eventually chaired. "It was during his reign that national coffee production dropped from 140,000 metric tonnes to 45,000 metric tonnes at one time" (Kamau, 2015). Those what opposed him, were soon edged out, with tactics such as a the revocation of dealer's licence (Irungu, 2014). The change of government in 2002 saw him lose all his positions,[40] however, the damage and institutional failings resided.

When AFA was proposed, the stakeholders in the coffee sector, mainly the estates and cooperatives, were not in opposition to an authority that would harmonize regulation and possibly enhance its prospects. This sentiment changed when the actual regulations to the sector were proposed, which is dealt with below, however, at the inception of AFA, coffee cooperatives as intermediate groups did not have enough holing power, to oppose the formal alterations.

Overall, AFA was created on the basis of an executive that sought to implement a decade of previous public policy alignment in the form of the SRA, which complimented the ambitions of various state bureaucrats with the influence to create institutional buy-in, in a period where other actors who may have opposed the strategy were either politically engaged in the 2013 electoral campaign, had a lack of holding power, or conversely, due to the perceived gains, elites and intermediate groups rationalised the process would provide them with rents.

The Exclusion of the NCPB

Despite the substantial national institutional reforms to horizontally centralise the agricultural crops sector, the NCPB was not made a directorate of AFA. The omission of the nation's key parastatal in the marketing, processing and distribution of maize, the nation's staple,[41] created a regulatory contradiction. The Crops Act in Schedule 1 provides AFA with the authority to administer any crops within the Schedule (Republic of Kenya, 2013). Maize is included in the Schedule 1; however, NCPB prevailed in its separate operations. The separation of rents available for the sector normally under the banner of 'food security', arguably maintained the historic operations of the NCPB despite its seasonal 'drought to famine' failures (Bates, 1989)..

Since its creation in 1980s, NCPB has been a key source of rent transfers to large scale farmers and communities in the Rift Valley. The exclusion of NCPB also arguably occurred due to the political nature of maize and considerable public institutional involvement under several ministries such as Planning and Devolution, Special Programmes, Ministry of Agriculture, and the Office of the President.[42] Productivity, price control, and the eventual development of a surplus are the justifications for the existence of the NCPB, however the latter has not occurred. Indeed, it was noted that "policies in and around agriculture are a negotiated process".[43] Vested interests prevail over competitiveness and productivity. The NCPB reflects the interests of powerful actors in the maize sector, the most prominent being Kalenjin elites, Asian-Kenyan millers, and intermediate

[40] "…he fell victim of the dissolution of the boards of a number of parastatals by then head of Public Service and Secretary to the Cabinet Richard Leakey. In 2002, Mr Mwangi lost his positions at KPCU, the CRF and the coffee board".
[41] Wheat, rice, and beans are also under the purview of the NCPB.
[42] ISS47
[43] ISS45

classes that sought to 'protect' the parastatal, especially with Ruto being part of the Jubilee alliance that was teaming up with Kenyatta.

The importance of the NCPB as an institution that guarantees subsidisation of maize pricing, fertiliser, and seed has made it the foremost agricultural parastatal in terms of rent transfers. The NCPB is generally a warehouse that enforces the policies of the center, it is not a regulator, it does no set price or dictate policy.[44] The horizontal centralisation of agricultural sector based on the logic of the SRA did not alter the NCPB's role, debatably due to the sheer amount of interests at stake if reforms were to occur. A key example is the pricing of maize. Tegemeo is a policy and development research institution which assists the government in setting the price of maize which usually occurs in October the year prior. Despite general advice to set prices lower and towards international parity what has generally been witnessed is higher prices being set by the government, therefore instead of Ksh 2,600 per bag, the price will be set at Ksh 3,000. Coincidentally, "the announcement of prices usually comes before the North Rift Harvest…Western Kenya normally harvests in June/July, so they don't receive the benefits of the NCPB subsidy as much as the North Rift".[45] Maize is a crop that is grown throughout the country, however due to the timing of the subsidy pricing, the key beneficiaries are the farmers in the North Rift highlighting once again the targeted nature of the rent transfers and interests that have perpetuated themselves.

At the county level, unlike AFA, NCPB agents physically operate within county administration offices. It had been envisioned that AFA would have Crop Officers and Inspectors, that would act as the bridge between national and subnational, however after four years, no crop inspectors had been gazetted[46] (Republic of Kenya, 2013 s.26). Conversely, NCPB officers work collaboratively with the county government in registering farmers that are eligible for subsidies. They enjoy close interaction with county administration to verify that the information provided is accurate to support farmer entitlements. This collaborative coexistence of the national-county relationship extends itself to the distribution of subsidies. The national government delivers subsidies to go-downs and warehouses that the NCPB operates. It is then the responsibility of the county government to distribute the fertiliser to the counties.[47] This collaborative process demonstrates that in some cases the functions of the national government have been more readily accepted.

Notably, some subnational politicians use the transfers for political mileage claiming the custodianship of the inputs, which is highly inaccurate, "when the benefits are derived, Members of the County Assembly [MCAs], and politicians will be quick to claim delivery…it is about popularity, they want to be seen to be doing".[48] It was observed that one of the key justifications for the preservation of NCPB was the maintenance of patron client relationships. With decentralisation, a new form of rent-seeking and transfer occurs at the subnational level, which involves county officials reinforcing the interests in preserving the NCPB. Without common knowledge that the national government is responsible for the input distribution, subnational

[44] ISS63
[45] ISS45
[46] AFA has Crop Inspectors in all the Directorates, but the law requires that they are gazetted. This had not happened because the crop specific regulations had not been gazetted.
[47] 25U5
[48] 33U3

government officials put themselves in the position to claim responsibility. In Bungoma, the previous governor[49] pushed for a 'free-seed' initiative and ensured that he was present when the seeds were being distributed, attributing the action to his own initiative despite the seeds being provided by the national government.

Furthermore, two unintended consequences of the subsidisation of fertilizer have been the edging out of the private sector which can't compete, leading to "low invest in retail outlets and higher commercial fertilizer prices…and approximately one-third [of all subsidised fertiliser]"[50] 'leaking' to non-targeted farmers "including cartels involved with the purchasing subsidized fertiliser in bulk and selling it at market rates, nullifying the benefits to small-scale farmers" (Ministry of Agriculture, Livestock, Fisheries & Irrigation, 2019, p. 81).

At the center of the political and commercial interests involving the NCPB is the duty-free facility that the MoA gazettes when there is a shortfall in the market. Since independence, Kenya has failed to increase cereal yields[51] at the rate of population growth which stands at 3.18% per annum from 1960-2018 (The World Bank, 2019). Cereal yields have remained almost stagnant (*figure 21).* Invariably, this has caused shortages that are made up by importing the deficit, as is the practice globally. What is peculiar is the amount of times the government has 'failed' to anticipate the shortfall, despite evidence provided on the consistency of yields, diminishing food supply per capita, and the reliance of a majority of farmers on unpredictable rainfall in the face of global warming *(Table 22).*

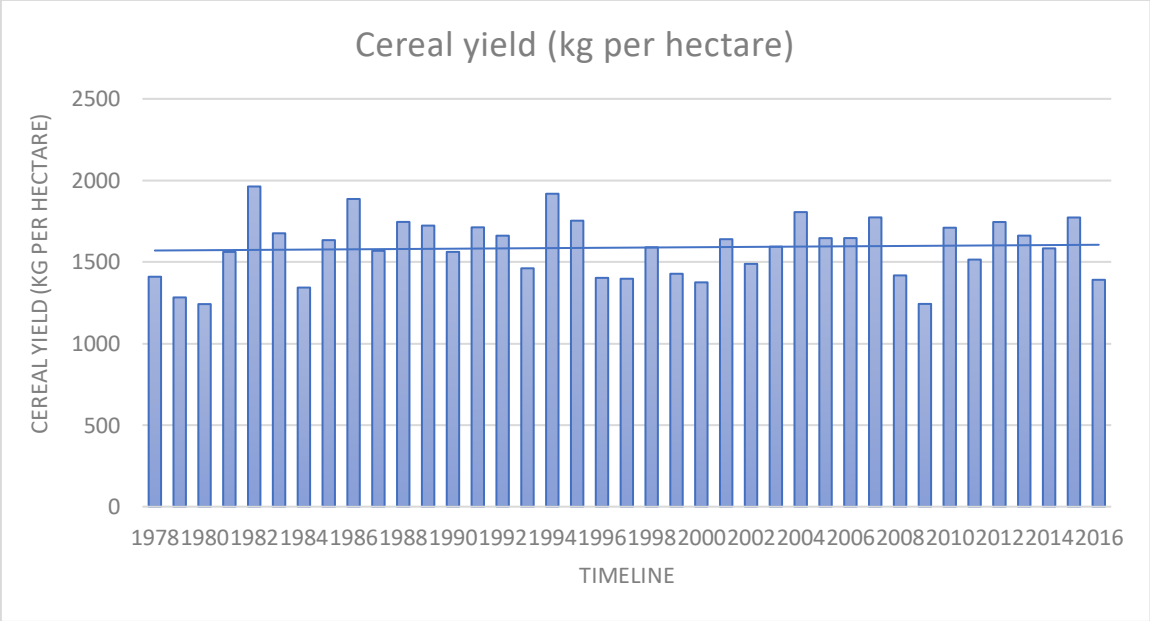


Figure 21. Kenyan Cereal Yields and Trendline
Source: Kenya National Bureau of Statistics (2018)

[49] Kenneth Makelo Lusaka (Jubilee Party)
[50] Statistics averaged from Kenya, Zambia and Malawi (Ministry of Agriculture, Livestock, Fisheries & Irrigation, 2019, p. 81)
[51] "Cereal yield, measured as kilograms per hectare of harvested land, includes wheat, rice, maize, barley, oats, rye, millet, sorghum, buckwheat, and mixed grains. Production data on cereals relate to crops harvested for dry grain only. Cereal crops harvested for hay or harvested green for food, feed, or silage and those used for grazing are excluded. The FAO allocates production data to the calendar year in which the bulk of the harvest took place. Most of a crop harvested near the end of a year will be used in the following year" (The World Bank, 2019).

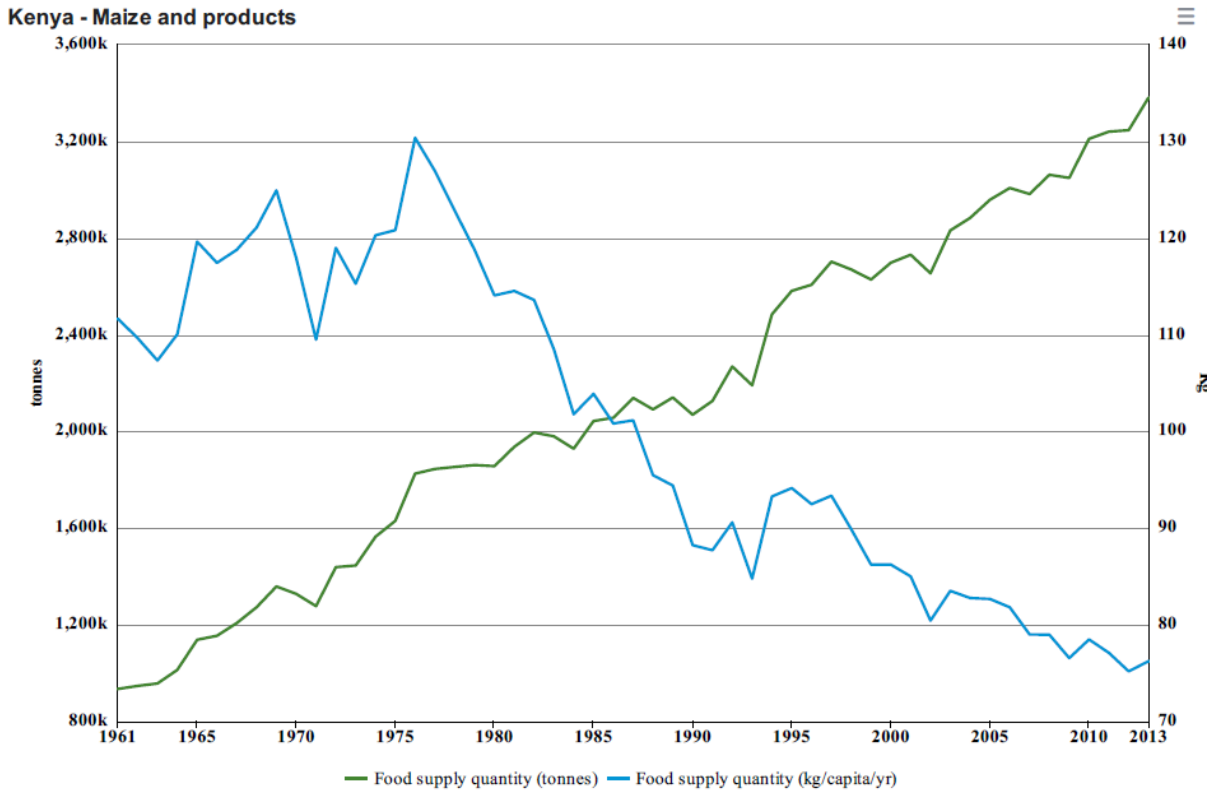


Figure 22. Kenyan maize and production 1961-2013[52]
Source: Kenya Data Portal (2019)

Case Study: 2017 Subsidy Scandal

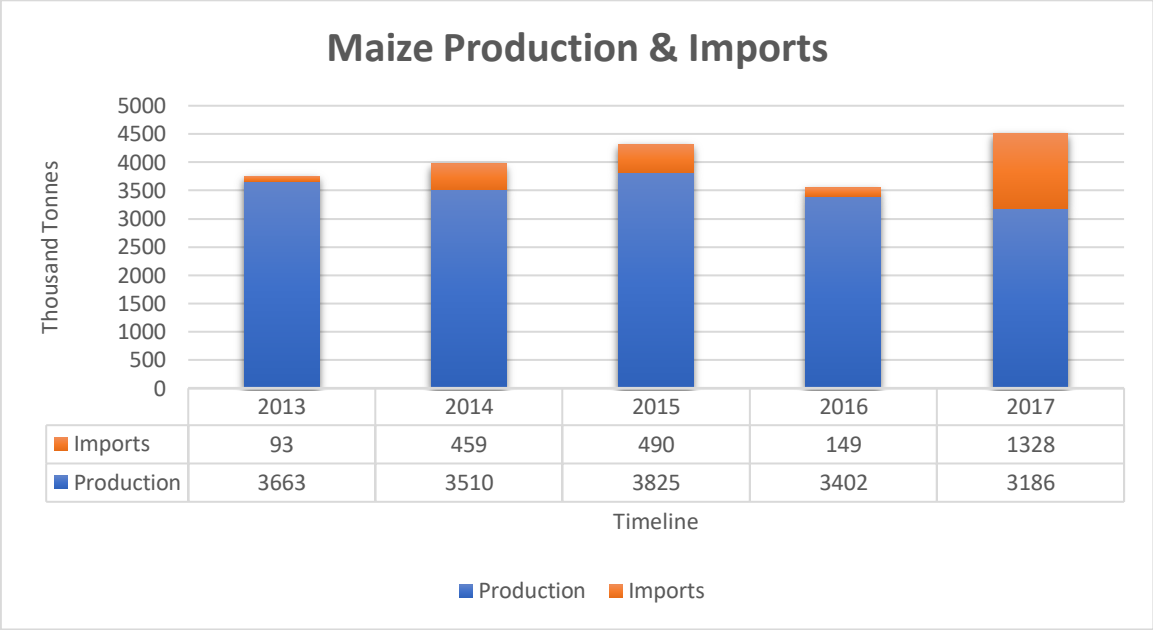
2017 was an election year with stiff competition between the Jubilee alliance, and a coalition of dominant ethnic groups outside the current political settlement,[53]referred to as the National Super Alliance (NASA), which was led by Raila Odinga. The political stakes were high and atmosphere fever-pitch. "Maize is a political crop, if you don't have maize you don't have food",[54] and the shortage of maize in 2017 spurred what was referred to at the time as the 'Unga Revolution' ('flour revolution') jeopardizing Jubilee's chances of re-election. Months prior, Willy Bett the then Cabinet Secretary (CS) for agriculture, despite warnings that there may be shortages, had provided assurances that the nation had adequate supplies and would address the situation. Even when the government's early warning and disaster response mechanisms provided reports on the inevitable shortfall, no concerted action was taken.

The Agricultural Principle Secretary (PS) Richard Lesiyampe acknowledged that the shortfall had been recognised, however, went onto claim that it was high producer prices, at Ksh 3,600 from the offered Ksh 3,000 that failed to attract farmers to sell to the public body, whereas private millers were willing to purchase at the higher prices (Namunane, 2019). The PS added that there

[52] http://kenya.opendataforafrica.org/namilvd/food-supply-crops-primary-equivalent
[53] Nasa included: include the Orange Democratic Movement (ODM), Wiper Democratic Movement (Wiper), Forum for the Restoration of Democracy - Kenya (FORD-Kenya), Amani National Congress (ANC),National Rainbow Coalition, Progressive Party of Kenya, Chama Cha Uzalendo (CCU), and the Muungano Party(MP).
[54] 2B5

was a fear that if the government imported maize instead of buying locally, due to the political environment, an election year, there may be detrimental effects, which would have likely been considered as the government flooding the market to supress producer prices. Compounded with the change in trade regulations in Tanzania[55] and high demand in South Sudan where "prices clocked Sh5,500 per 90Kg bag of maize", there were disincentives to cater to the local Kenyan market (Namunane, 2019).

As a result, in early 2017 retail prices shot up to Ksh140 for a 2-kilogram packet of flour. The response by government was a Ksh6 billion subsidy[56] which brought the price down to Ksh90 and supplied the much required commodity at a relatively affordable rate (Gaitho, 2017). This period also saw a drastic increase in the price of milk, rice, and sugar that affected lower income households severely. "The Government's knee jerk reaction to lift duty on importation of basic food items including maize, sugar and milk in an election year may have handed cartels billions of shillings on silver platter. Kenya's trade-off to stem the food crisis elicited suspicion, as some of the beneficiaries are tightly woven with politicians seeking campaign financing" (Guguyu, 2017). *Table 23* below demonstrates that production dropped by 216 tonnes in FY2016-2017 following a slowing trend, however what is peculiar is the increase in imports by 791.3% in an election year, which was the basis of the Ksh 6 billion subsidy. Moreover in the period under review maize imports grew eight fold against a marginal 6.3% drop in local production (Kenya National Bureau of Statistics, 2018).



	2013	2014	2015	2016	2017
Imports	93	459	490	149	1328
Production	3663	3510	3825	3402	3186

Figure 23. Maize production and imports
Source: Kenya National Bureau of Statistics (2018)

[55] Tariffs and duties are constantly revised, with information provided at the Tanzanian Revenue Authority.
[56] "When the Ministry of Finance opens the brief window to allow importation of sugar to address the production shortfall, often estimated at 200,000 metric tonnes annually, big importers (often referred to as sugar cartels) fall over each other to secure licences. It is claimed that such importers flood the market with more sugar than is authorized with the connivance of officials at the Ministry of Agriculture, KSB or KRA. On such occasions sugar manufactured locally pile up in the factory stores, as distributors switch to the cheaper imported sugar. Factories make huge losses during these occasions and some of them lay-off their causal workers to remain open" (The Ethics and Anti-Corruption Commission, 2018, p. xii).

Though the government had averted an 'Unga revolution' peculiarities were rife regarding the process of the subsidy. Just five days after the gazette notice on the duty waiver on maize IVS Pinehurst, arrived with 29,000 tons of maize,[57] somehow managing complete the 17,600-kilometre journey from Mexico breaking all known records. This raised public suspicion, leading to a change in stance, where the government claimed that the ship had actually sailed from Durban, South Africa (Kamau, 2017). Followed by counterclaims that the ship had been in the high-seas, and merely responded to the tender, all which muddied the waters. Additionally, the company that owned the ship, Holbud, owned by Roshan Merali, in 2004 had been part of a scandal where NCPB was found by the Inspectorate of State Corporation to have sold "Strategic Grain Reserve to Holbud at uneconomical prices"(Kamau, 2017).

Furthermore, the shortage was not a phenomenon, "traders are known to buy up local stock [maize] and then create artificial deficits. They say that there's no rain, and this assists the narrative. In 2017, this was compounded by the sale of maize from the SGR (Strategic Grain Reserve) …the maize was bought and sent to go-downs in Mombasa. This and the national deficit led to the overall shortage that occurred".[58] The creation of the artificial deficit, despite the eventual export ban, due to millers squandering the same in warehouses, also factored that 2017 was an election year, where the political fallout of not ensuring commodities remain affordable would likely force the government's hand into paying higher prices and/or the provision of a waiver on the duty of commodities that various parties wished to make substantial profits on.

Critically, the subsidy provided the opportunity for importers to acquire maize, sugar, and powder-milk duty-free. The NCPB, apparently not getting access to funds to purchase from the market in a timely fashion was unable to absorb local surplus, providing the private sector with an opportunity to purchase the same. "At harvest time private traders buy and sell as well. The NCPB is what the government controls. This year [2017] the export of maize has been banned. However, if the NCPB did not get the money on time to buy the maize…this failure to absorb the maize may lead to the private sector absorbing the surplus and controlling the future supply to the detriment of the consumer and government".[59]

What should be understood is that the actors that benefit commercially are usually also politically affiliated.[60] The rent-seeking that occurred and truth of exactly how this occurred: government incompetence; the creation of an artificial shortage through storage, export and other means; powerful elites with advance knowledge of coming waiver seeking to make more money during in an election year by the creation of a shortage; and/or elite politicians raising funding for their campaigns, is inconclusive without a formal inquest into the matter.

As a result of these events and others, Willy Bett lost his seat as CS, PS Lesiyampe and the NCPB Managing Director Netwon Terer both lost their jobs and were under investigation[61] on evidence

[57] Imported by Kitui Flour Mills, Pembe Flour Mills and Hydrey (P) Limited.
[58] 2B5
[59] 26U5
[60] 26U5
[61] "Newton Terer and a local chief were among five suspects arrested and detained in Eldoret over the loss of Sh6 billion at the National Cereals and Produce Board. The former NCPB managing director was in a list of seven suspects to be prosecuted over fraudulent payments for maize delivered to the NCPB stores… The suspects will be charged with abuse of office, conspiracy to

that "their actions saw the government spend over Sh11 billion instead of Sh6 billion budgeted for 6 million bags in the 2017/18 financial year" (Wanjala, 2018), and with Terer 'retiring', NCPB acting managing director Albin Sang, was fired for the illegal sale of about Ksh 1 billion of maize imported from Mexico in 2017 (Andae, 2019). An ad hoc Senate Committee in 2018 called for the prosecution of the CS for National Treasury Henry Rotich in line with Willy Bett, stating that "the crisis that led to the influx of duty-free maize was a ploy by both the public and private sector players to profiteer from distortion of the maize value chain. The Gazette Notices No 3575 dated April 13 2017, No 6398 dated July 3 2017, and 7248 dated July 27 2017, were open ended and done without any valid reasons and justification" (Oruko, 2018). Moreover, it was found by the Ethics and Anti-Corruption Commission (EACC), that Ksh 4.5 billion was paid to only 146 individuals, with 20 receiving Ksh 2.1 billion for the supply of maize (The Ethics and Anti-Corruption Commission, 2018).

This example supports the proposition that where elite interests are concerned in various agricultural commodities, there is a likely link that informal institutions will rent-seek to influence formal institutions, despite the social cost, in the maintenance of various rents at the expense of the majority. The NCPB 'survived' the formal institutional transformation under the Crops and AFA Acts and continues to operate outside AFA jurisdiction with little to no mention of expected reform to the sector being proposed. The incremental changes to the formal institutional structure of the agricultural sector mirror the formal and informal institutional interests and rents that are generated. Policy development does not occur in a sandbox, with local contextual considerations being key to understanding the political economy of the agricultural sector, why various institutions have been created, and as in this case, prevail.

From 2016-2019, there have been several scandals within the agriculture sector that have amounted to a loss of Ksh 94 billion. From FY2013-2017 agricultural sector allocation and expenditure at the national level was Ksh 77 billion, and in actual expenditure Ksh 55 billion[62] (The National Treasury and Planning, 2018). This highlights the amount of rent-seeking that occurs primarily at the national level. The same data does not exist as concisely for counties, however, as stated by an interviewee, "there is rent-seeking at all levels,"[63] what decentralisation achieved was a shift in the ability to access rents at subnational level *(figure 5)*.

Overall, the reason that the NCPB was not integrated into AFA, save for the institutional reconfiguration that would have been required, is arguably due to the informal interests that prevail in the sector, and not its growth enhancing performance. The NCPB unlike the other parastatals survived likely due to the magnitude of rents that it provides to elites, and intermediate groups. These net benefits from its continued existence provide the holding power required for the preservation of patron client relationships, with the primary goal of 'securing' votes in the voter

defraud, fraudulent acquisition of public funds, unauthorised spending of public funds, and neglect of official duty" (Wanjala, 2018).

[62] "The allocation as a percentage of the national budget increased from 2.3 per cent to 3.6 per cent in 2015/16 but dropped to 2.8 per cent in 2016/17 financial year. The allocation to the sectors is way below the committed level of funding, i.e. 10 per cent under the Malabo Declaration (The National Treasury and Planning, 2018, p. 139).

[63] ISS63

rich Rift Valley. As *table 16* highlights, the continual prevalence of corruption and rent-transfers in the sector.

Alleged corruption	Year	Ksh Amount (Billions)
Irrigation board creates new Sh19bn dam scandal	2019	19.0
Kerio Valley Development Authority Dams Scandal	2019	21.0
Italian contractor leaves with Kenya's Sh15 billion Itare Dam deposit	2019	15.0
Sh6bn meat factory scandal returns to haunt Kenyan taxpayers	2019	6.0
Drought agency fails to account for Sh4 billion	2018	4.0
Chemelil bosses embezzled over Sh200m, says Ouko	2018	0.2
Sh2.1 billion fertiliser funds lost at cereals board, audit shows	2018	2.1
Multi-billion Galana churns out Sh35m maize in a year	2015-2018*	7.3
New KCC fails to account for Sh1.7 billion	2018	1.7
NCPB on the spot over Sh3bn infected maize in its silos	2018	3.0
Details of Sh11.3bn scandal at cereals board	2018	11.3
MPs put Lesiyampe to task over Sh2.5bn subsidised fertiliser	2018	2.5
How Sh953 million scandal turned Turkana food security project into a pipe dream	2016	0.9
Total		94.0

Table 16. Cases of Alleged Corruption Involving the Agricultural Sector (2015-2019)
Source: Agriculture and Food Authority (2017)[64]

Agricultural Autonomy[65]

One of the key factors to observe in the analysis of decentralisation is the division of responsibilities with a concern for the allocation of resources, and instrument to ensure complicity. In the Kenyan context there was separation of national and county responsibilities in various sectors of the economy to different degrees. Post-2013, there were numerous legislative signposts in relation to the extent of decentralisation in the agricultural sector. The 2010 Constitution, the AFA and Crops Acts provided the framework of what was arguably the division of national and county responsibilities in agriculture. However, political settlements only perpetuate themselves when rents are a reflection of power within a society (Khan, 2010). The structure set out in the legislation prior to the creation of county governments was arguably not a reproduction of the political reality that came into being in 2013, when county governments were formally constituted.

Moreover, the constitutional ambiguity left room for county interpretation. As noted by an AFA Horticultural officer, "initially, counties did not want to work with AFA".[66] They deemed it to be an affront to the fruits of devolution and their rightful autonomy to control agriculture. Though with time tempering the matter, what became apparent is the focus counties had taken, essentially a pattern developed that demonstrated that they were interested in sub-sectors within agriculture that generated rents, "at the start there was confusion, counties wanted AFA resources to be at

[64] ISS63
[65] Definition: Key issue is division of responsibilities with critical concern in relation to the allocation of resources and instrument ensuring it.
[66] 1B5

the county level… [they] wanted to control the regulations and collect the fees from certain value chains, however, after being unable to lobby for higher fees [with local capitalists], and with the current fees being so low, counties stepped away from pursuing local legislation on licencing".[67]

What was observed is that the hard-line initially taken by counties, eventually softened to adopt a more nuanced appreciation of the roles of national and county governments. What was also revealed, is that contestation to perceived national overreaching was not significantly hampered by national party-political affiliation. This was best evidenced by the stalled coffee regulations as mentioned earlier. Coffee primarily grows in regions where Jubilee has significant support, however, they like the rest of the AFA regulations were stalled in their implementation by intermediate groups which claimed that the process of developing the regulations was not inclusive.[68]

The tension experienced in the agricultural sector was prevalent in other sectors of the economy and anticipated by the drafters of the 2010 constitution. To avoid unnecessarily high transition costs, interpretation of the course forward was left to the Transition Authority. The body assisted in the process of restructuring a previously unitary state into the envisioned 2010 devolved structure. The Authority created the Unbundled Functions as a guideline. The Unbundled Functions were a political compromise by national and county governments seeking a line in the sand. However, it was discovered that the tension between national and county governments in relation to responsibility was still a going concern, "the line is so thin…"[69]. A senior AFA representative at the national office put the current divide into perspective, referring to the Unbundled Functions as a means to make sense of the language of the constitution. A tool which solves the difference between the two tiers of government by acknowledging that the question of autonomy had yet to be dealt with adequately.[70]

Additionally, it was stated by national representatives, that autonomy though desirable for counties needed to be stemmed by the reality of economies of scale and issues of traceability, that are traditionally handled better by the national government due to registration and licencing *inter alia*. Essentially, subnational units do not have the infrastructure or technical ability to perform the duties of the national government. An example provided was in relation to French beans which are grown in several counties, which despite separate production at the primary level require oversight for export. The oversight focuses on the quality and standards. Considerations such as the Maximum Residual Levels (MRIs) of various toxins which are pivotal to the export sectors viability. Therefore, the stance of the national government is to ensure 'Kenyan' goods can be exported at an acceptable standard. To this end, and in the interests of the protection of the export market, AFA and the Kenya Plant and Health Inspectorate Service (KEPHIS) ensure that certain standards are upheld.[71] This connotes that despite the division there is a symbiotic relationship between national institutions and county governments at most levels that needs to be acknowledged despite resistance on both ends. The oversight has been generally acknowledged,

[67] 1B5
[68] Embu farmers reject taskforce proposal, April 8, 2018 (https://www.nation.co.ke/counties/embu/Embu-coffee-farmers-reject-taskforce-proposals/3370188-4378096-pcqmkmz/index.html), accessed on September, 5, 2018.
[69] ISS63
[70] ISS44
[71] ISS44

but it is by no means resolved, with counties still referring to it as an erosion of their autonomy, and in more extreme cases, various officers within the CoG stated that "county governments don't recognize AFA".[72]

It was a common position taken by subnational advocates, that the mention of 'agriculture' in the Constitution at the Fourth Schedule Part 2 Article 1(a)[73] indicated that all facets of its operation were devolved. The CoG secretariat, which would translate as a barometer on the issue of autonomy in this sector highlighted that "90-95% of the functions of agriculture are devolved,"[74]with a majority of agricultural responsibility occurring at county level. Therefore, with a monopoly of production and responsibility it was put that further concessions of control by the national government should be ceded. However, the generally accepted 'line' was that primary production and processing are a county affair, with functions thereafter being the responsibility of national institutions.[75] This agreement between the parties is merely political.

AFA without regulations is hamstrung, however it does manage to fulfil most of its core functions. Since 2013, AFA has emphasized its role as a regulator that aims to work in a complimentary manner with counties. Though the uptake of this message was observably tepid, the necessity of AFA in some sub-sectors has ensured its continual relevance without infringing on the autonomy of the subnational units.

Furthermore, as with AFA there were also other national agricultural programs that were affected by the 2013 political changes. This shift was resisted particularly by the national government and international partners in relation to programs/projects that had been commenced prior to devolution. The ASDS and the National Agricultural Livestock Extension Program (NALEP) were two such programs. Till 2017 they largely continued to be overseen by the national government, with implementation being facilitated by the counties. These sorts of programs created bilateral obligations with donors which previously envisioned the national government as the driver of agricultural implementation, debatably blurring the line between national and subnational responsibility. However, as they predate conceptions of devolution it is understandable that the third-party rights enjoyed by international partners would be upheld as they do not present a serious affront to county autonomy. Moreover, Sub-County Agricultural Extension Officers (SCAOs) and Ward Extension Agricultural Officers (WEAOs) are the implementers ensuring that the county is heavily involved, albeit not in the financing or design of the programs, with national government oversight. Notably, after lobbying, it was made apparent that ASDS in its second phase starting later in 2018 would be integrated into the county agricultural framework.

Sectoral Centralisation?

The sectoral centralisation of agricultural crop sector through AFA did not have the envisioned effect that arguably the sponsors of the policy had initially anticipated. Decentralisation realigned priorities and power. The reduction in bureaucracy, retention of old staff maintaining institutional

[72] ISS41
[73] Constitution of Kenya (2010).
[74] ISS41
[75] ISS63

knowledge, reduced the potential transaction costs, however, this was not enough for subnational units to cede what they considered to be a devolved function. The centralisation of the agricultural crop sector took the shape of reconstituting former parastatals, not decommissioning them. What sets AFA apart is its centralisation of the sector at national level, in a period of decentralisation, and how this ultimately changed the institutional operation of agriculture in Kenya (*Figure 1).*

In relation to operations at county level as stated in Chapter III, there is a definite sense that county governments are independent from national government. In terms of shaping policy, on several occasions county staff stated that government policy within sub-sectors acts as a guide. Even in relation to the budgeting, it was clearly stated by a County Officer for Finance and Economic Planning in Uasin Gishu that, "they say our budget lines should be aligned to the national government. However, there are no guidelines".[76] This level of autonomy is another reason why Kenya's devolution process is distinct to the region. However, this example does not claim that the national government does not maintain forms of oversight. One of the key methods of budget oversight has been in relation to the types of spending that counties make.[77] It is acknowledged that despite caps, counties to date (2019), continue to flout financial regulations at the expense of possible development financing.[78] The repercussions of these infringements have not yet been pursued by the national government, likely due to the job-cuts and political fallout that may occur. However, it is a demonstration that counties and national government, where it is necessary collaborate, especially in matters of oversight, with scale required.

Notably, in 2019 the ASDS was side-lined in favour for a new strategy, the Agricultural Sector Transformation and Growth Strategy (ASTGS 2019-2029). The ASTGS has created a new policy framework, seemingly recreating ASCU, under a new title and mandate, now referred to as the Agricultural Transformation Office (ATO). Notably the ASTGS does not mention AFA, until the appendices. AFA officials stated that "there's so much push and pull on whether AFA should continue as is, or Directorates revert to former Boards. Each camp has its compelling arguments, but it is yet to be concluded…as far as the Strategy is concerned, AFA undertakes relevant delegated functions as assigned by the Ministry of Agriculture".[79]

Time will highlight how these changes affect the sector, though what is clear is that there is an interest in agriculture and benefits therefrom, be they growth enhancing and/or extractive. The effect of ASTGS was unfortunately outside the scope of the primary research, which would have presented a new opportunity to analyse the division between national and subnational roles and the rents available therein. With an uncertain future, the agricultural sector continues to remain a source of contention highlighting the different interests around the potential benefits that may be derived.

[76] 29U1
[77] For example, Regulation 25(1)(b) of the Public Finance Management (County Governments) Regulations, (2015), sets a limit of the county government's expenditure on wages and benefits at 35 per cent of the total county revenue. See Chapter IV (Capacity).
[78] Report shows that counties spent less on development, August 11, 2018 (https://www.nation.co.ke/news/Report-shows-that-counties-spent-less-on-development/1056-4707496-4tnqb0z/index.html)
[79] ISS63 - (18.06.19)

Conclusion

AFA was derived out of the general policy framework developed by the SRA as a reflection of the interests that prevailed at the executive, bureaucratic, and capitalist sectors of the economy prior to the 2013 election. The eventual scaling down away from livestock and fisheries was also mirrored in the cereal sector, with the exclusion NCPB demonstrating that implementable policy is not developed in a vacuum, to be effective and accepted, it requires the endorsement of relevant stakeholders. In a period of devolution of functions AFA centralised the formal institutional framework of the agricultural crop sector. Being developed in a transitory period where the executive altered AFA's potential, especially regarding the reality of devolution, and the rise of governors as 'defenders' of subnational gains.

The unbundled functions highlight that the Kenyan agricultural sector has decentralised, however there are administrative, political, and fiscal aspects within the sector in which the national government still has a critical role.

As mentioned in Chapter III, it is not about whether devolution is occurring, on the contrary, it is a matter of extent. The political reality of devolution created a new power dynamic at the national and subnational level. The interests that emerged in the counties resisted what was perceived as an attempt by the center to dominate agriculture. AFA survived its first few years, focusing on regulation and abandoning some of the loftier institutional strategies, in terms of financing and interfacing between national and subnational through 'crop officers'.

Despite the failed actualisation of some of its goals especially in regard to enforcing new regulations, the effect of the Crops and AFA Acts is immutable, all former crop parastatals were dissolved ridding the sector of the plethora of legal instruments that existed, potentially harmonizing regulations, "the idea was to bring all the crops under one roof. Most farmers do not grow a single commodity on their farms. It was seen as a means to bring more sense to the industry. Instead of several authorities being responsible for numerous crop varieties…AFA was established to ensure that there is a 'one-stop-shop' in which to deal with agricultural commodities".[80] AFA has achieved this, however, the gazetting of regulations and regularizing of senior administrative staff would certainly strengthen its position.

The creation of AFA and the existence of the NCPB demonstrated that agricultural policy remained a reflection of power in the sector. The rents that are derived from agriculture have remained critical to the holding power of elites and patron client relationships. The effect of decentralisation has been to decentralise rents and shift rent-seeking to the subnational level, though this is not to claim that significant rents are not still predominantly at the center.

Devolution countered AFA. Governors have acted as the custodians of the gains of decentralisation, staving off perceived attempts by the center to overreach. However, 'the line is so thin',[81] there is not a single document that wholly aligns with the agreed degree of separation of

[80] ISS64
[81] ISS63

national and county, however, AFA, as with other institutions in the sector had adapted in fulfilling a mutually complimentary role.

Overall, in matters of autonomy, the extent to which the county governments control their jurisdiction remains greatly in favour of subnational units, with the national government controlling aspects where scale, policy, and specific technology are required. Agricultural autonomy, though not entirely resolved by a formal instrument, has managed to find an equilibrium where both national and county governments respectively perform their obligations. It is unclear at present whether the new dispensation has altered agricultural outcomes especially in relation to total factor productivity. However, what is certain, is that there are more rents available at the subnational level. Whether this will alter outcomes positively or be captured, will be grasped in time. The next chapter goes onto explore this proposition further.

CHAPTER V

Decentralisation and Service Delivery in a Competitive Clientelist System: Intermediate Objectives

Introduction

Chapter V investigates how decentralisation post-2013 operated in practice. The results are separated into three (3) sections, drawing from the semi-structured interviews in phases I and II, and national and county budgeting information. The theoretical analysis is rooted on decentralisation literature. Kenya's 2010 decentralisation process provided a unique opportunity to observe and understand the development of a new rent structure within the country's political settlement. From this analysis, the form that devolution, and way service delivery has taken root at county level was investigated.

The structure of the chapter is divided into three areas of examination: autonomy; accountability; and capacity. Interwoven in the analysis is an examination on whether Kenyan decentralisation, and vicariously agricultural decentralisation exhibit any of the intermediate normative expectations, and if so, to what extent. This analysis will continue to rely on political settlement theory to clearly explain why intermediate objectives within a clientelist system may differ from expected outcomes. The focus on the distribution of power between organisations, and how that influences clientelist politics, and invariably, how that affects the patron-client networks is critical, as it provides a perspective that enriches the depth of the research findings (Whitfield et al., 2015).

Intermediate Objectives

Three concepts are explored in this section in the examination of decentralisation in the Kenyan agricultural sector: autonomy; accountability; and capacity. These intermediate objectives contribute to facilitating the expected broader outcomes of stability; democracy; and development, which will be examined in Chapter VI. The modified framework borrows from Dickovick and Riedl (2010), where a comparative assessment of African decentralisation was undertaken. Their analysis provided a theoretical framework that was suited to holistically capture the results within decentralisation theory.

This approach is the first of a twostep process that was applied to analysing the empirical data. In this chapter, due to the wide institutional breadth covered barely within a decade of decentralisation's formal institutionalisation, it was considered that an approach that separated intermediate objectives from outcomes would provide a more accurate examination of the data. This structure permitted an examination of data at national and county levels on separate but complimentary findings. Chapter V offers an institutional appreciation of the role of decentralisation on the agricultural sector, hence its analysis of the intermediate objectives. Decentralisation is deemed to be an ongoing process. The analysis applied to this broader

framework gathered the extent to which decentralisation had occurred at a macro-level. Whereas Chapter VI explored the objectives at farmer level. This microanalysis was more suitable in analysing the extent decentralisation had influenced agricultural service delivery. By separating the analysis, the framework provides a practical, applicable multilevel detailed examination of the effect of decentralisation on the agricultural sector. Notably, this was not the framework adopted in Chapter III. The reason for this was the comparative nature of the Chapter, which sought to place Kenya's decentralisation amongst other African contemporaries while applying sequential theory in seeking national and subnational preference (Falleti, 2005). The framework provided a clear schema to examine and measure the extent the respective nations had conceded political, fiscal, and administrative decentralisation.

The application of Dickovick and Riedl's (2010) framework required modification which allowed for better application in relation to the Kenyan context. Namely, the conflation of two of the intermediate objectives: authority; and autonomy. The reason for the conflation is due to the numerous overlaps which caused ambiguity when analysed separately. Authority is formal. Usually it is captured in an instrument that a national government creates codifying the institutions that a subnational entity adheres to. Whereas autonomy is informal. It highlights the reality of how power, within a stipulated framework, operates between national and subnational, within national, and within the subnational unit. In both authority and autonomy there is an appreciation that there is a transfer of power from the national government to a subnational unit, which is embodied in an instrument that sets out the institutions. What this section is more concerned with, is how power once devolved, operates.

Autonomy (Formal & Informal Autonomy)

This examination conflates autonomy with authority due to the debatably limited distinction between the two in relation to their interdependence in the interpretation in this body of work. Notably, authority is deemed to prescribe the formal instrument that transfers power from the center to subnational units. This transfer provides actors autonomy to operate in formal and informal means. Autonomy in this analysis is considered an expression of authority that sets out the framework, demonstrating how power actually operates.

Formal autonomy is the power that is imbued on a subnational unit to act/perform their functions in correspondence to the formal institutions that are created to enable their existence. Decentralisation is normally enshrined in an instrument that provides the legal basis on which the political decision to change a system of governance is based. That instrument, as discussed in Chapter III is important due to the 'weight'[1] that it carries. If the instrument can be amended easily by the legislature, as with Act of Parliament, or if a referendum would be required to change the application of decentralisation implementation, as with a constitutional instrument, these issues arguably, ground the extent that a ruling coalition is likely to adhere to decentralisation.

[1] Weight in this context refers to the political capital that it would take to change policy. The greater the weight the more the expenditure of resources that would be required to amend an instrument, almost a form of holding power. In this case even if an amendment to the constitution were to occur, it would still require expenditure of significant resources and high effort to seek an amendment.

Kenya's process involved a constitutional instrument, that would require a referendum to amend it,[2] which took the form of devolution (The Government of the Republic of Kenya, 2010). The autonomy that was transferred from the national to the sub-national units has been translated in varying ways vertically, at national and county levels. It is notable that the intention of legislation is not always translated in the results that follow thereafter, and this is due to the informal autonomy and institutions which are a reflection of the reality of the distribution of power (Khan, 2018a).

Autonomy

Autonomy examines both the national to county and intra-county vertical dynamics of power.[3] The relevant intersections of decentralisation in Kenya have been vertical power relationships: between the national government and counties; Governors and Senators; Governors and MPs; and Governors and MCAs. Another dynamic interaction has been across the legislative houses at national and county levels, where jostling for power and political relevance, has seen challenges to the status quo especially in relation to control of county resources. The analysis that has been adopted focuses on the two key verticals of power, between national institutions and subnational units, and the structures of power within the subnational units. Both verticals allow for a closer scrutiny of the Kenyan decentralisation process as a whole and within the agricultural sector. This analysis assists in providing understanding towards the outcomes that decentralisation has contributed to in the sector.

National: Vertical Autonomy

Autonomy in this section examines the relationship between the national government and sub-national units. The vertical ceding of autonomy was the key reason for the decentralisation process. The unitary aspects of the previous regime were no longer tenable within the context of Kenya's political settlement. Shifting power allowed for more seats at the table, or in the language of rents, created new opportunities for rents and rent-seeking to occur at the sub-national level. In other SSA nations as discussed in Chapter III, decentralisation of autonomy is likely to be tempered with forms of deconcentration that dilute the *de jure* intentions of the process. In some cases, as with Ghana, sub-national units arguably had their autonomy limited *de facto* by deconcentrated officials (Dickovick and Riedl, 2010). In Kenya this has largely not been the case. From all the interviews conducted, at no juncture was it mentioned that the national government was overtly interfering and/or influencing local county affairs, even at party level.

The legal status of the 2010 constitution, the elected officials within the County Assembly, and the Governor's cabinet all operated within a framework that permits their autonomy to remain broadly unencumbered from national interference, save for the legal regulations that govern the framework. In relation to the agricultural sector, the division of autonomy remained unclear, with both sides coming to a political compromise, "the matter of devolution and the core responsibility and divi[sion] between the national and county governments…prov[ing to be] problematic".[4] The failure of regulatory implementation compounded the lack of a clear distinction in the instruments around responsibility, however the Unbundled Functions, prepared by the Transition Authority

[2] Constitution of Kenya (2010), Article 255.
[3] A horizontal examination of autonomy rendered few useful results and was therefore excluded from the analysis.
[4] ISS46 - Head of Corporate Communications at AFA.

provided both the national and county government with the opportunity to accept a political détente on the issue (Transition Authority, 2015).

Authors like Hassan (2014), and Steeves (2015), have raised concerns over the autonomy that actually exists. Hassan argues that decentralisation has been compromised by the continual presence of an overbearing executive. Her perspective focuses on the former Provincial Administration (PA)[5] prior to devolution and its preservation and transformation into the National Administration (NA) without a reduction in personnel, function and structure. Steeves, (2015) notes that the imperial presidency[6] under the KANU regime was not entirely dismantled, with allusions to some of the powers being maintained.

Briefly, the former Provincial administration under the unitary system worked under the office of the president to implement projects under the Constituency Development Fund (CDF) which received 2.5% of annual ordinary revenue to execute executive orders. The staff under the PA included Provincial Commissioners (PCs), District Commissioners (DCs) that were appointed by the president. District Officers (DOs), Chiefs, and Assistant Chiefs that were appointed by the Permanent Secretary in the Ministry of Provincial Administration which was a core Ministry under the Office of the President (OP).

The PA was also used by the executive to mobilise support and monitor possible threats to the government's interests. Under the new 2010 dispensation these titles were seemingly cosmetically altered to County Administrators under different titles. What is crucial here are the functions of the National Administration under the Office of the President, which operates in all the counties. Their emphasizes duties that are closely related to the interests of security and the distribution of the National Government Constituency Development Fund[7] (NG-CDF). The new NG-CDF like its predecessor, that was repealed due to its unconstitutional nature,[8] is mandated to support communities that have not received the same historical benefits from the state. The benefits thus far have centred around healthcare and education. Essentially, only works and/or services falling under the functions of the National Government as provided for in the constitution.

A case may be made that this form of support arguably belies a system of executive overreach guised in national security interests and community-based support, however the case as will be evidenced, would likely prove a weak one. It is the National Administration's ability to execute

[5] "Before 2010, the PA was a core component of the Kenyan state, performing integral administrative and security tasks. The PA was housed under the Ministry of State for Provincial Administration and Internal Security and tasked with "development coordination over and above the maintenance of law and order" Hassan (2013).

[6] The imperial presidency that was created by the Provincial commissioners, District Commissioners, District Officers, Chiefs and Assistant Chiefs was not entirely dismantled by the process of devolution. On the contrary, there is an argument to be made the executive has maintained a number of the functions of the past in this regard and guised the same as necessary for security. PCs are gone, however, County Commissioners act as the former DCs (Steeves, 2015).

[7] The County Development Fund previously the Constituency Development Fund established in 2003 by the Kibaki NARC government. Designed to support constituency-level grass-root projects by equitably distributing resources with an emphasis on programs that assisted the socio-economic aspects of citizens wellbeing. It was repealed in 2013 by the Constituency Development Fund Board following accusations of the misuse of the funds.

[8] Petition 71 of 2013, "First, the Act establishes CDF as a mechanism that runs parallel the constitutionally recognised governance structures. By charging it with local projects under section 22 of the CDF Act threatens to upset the division of functions between the national and county levels of governments and interfere with the county government autonomy…By involving Members of Parliament in the planning, approval and implementation of the CDF projects, the CDF Act violates the doctrine of separation of powers between the executive and legislative functions. It also undermines some key national values and principles of governance including devolution of power, accountability and good governance"(*Petition No. 71 of 2013*, 2016).

orders without oversight from county governments that endows it with the potential ability to influence service delivery that makes it unique (Hassan, 2014). Arguably, the distribution of education bursaries, the creation of clinics amongst other intervention strategies could be a means in which the national government continues to manage patron-client relationships within counties, however the limited distribution of the benefits around the constituencies and the impact of the support arguably fail to create broad-based impact.

Hassan (2014), in her analysis largely fails to demonstrate how the new fund is being used to 'influence' matters within counties. Admittedly, the National Administration does not report to the County Executive or National Assembly, with their role around security,[9] debatably being amplified to accommodate the status quo. Moreover, there may be an argument that local mobilisation of peoples through chiefs could be harnessed to favour the executive and/or his/her party. Though this had not been the narrative in the first six (6) years of devolution. Certainly, Chiefs are still used to mobilise local constituents to attend meetings through the ward administrators, however this is in most instances is to support county activities in relation to local development participation. County governments despite the presence of the National Administration have largely preserved their autonomy.

Indeed, it would be apt to mention that the county governments through the Council of Governors (CoG) would certainly have protested against the National Administration if it were a perceived significant threat, as they have against other institutions that have been considered to breach the spirit of the constitution. Ultimately, the national government has an advantageous position in relation to the intelligence gathered throughout the nation. However, during the period of research, there was no clear example of how this may have interfered with the autonomy of county governments.

Overall, the National Administration could interfere with the autonomy of a county, however, that had not been the case on a systematic scale that is noteworthy. The current autonomy was coined by an interviewed MCA, "despite the big man on top [the president], having an agenda, we can also develop around ours and the content of the national agenda. Those are the issues that we discuss when we talk about economic planning".[10]

County: Local Centralisation

County centralisation examines the power dynamics within a county. Decentralisation to sub-national units also requires an examination of the dynamics of these new entities and how power and responsibilities are distributed throughout the new paradigm. Essentially, how do organisations organise within a new institutional framework. In the Kenyan context, the 47 counties restructured power around an elected governor and county legislature, as illustrated in *Figure 24*. It should be noted that vertical autonomy truly resides within the political leadership at the sub-national level. The result of this has placed technical staff and considerations, in some instances, as with agriculture, second to political motivations. *Figure 24* also notes that advice is

[9] 'County Commissioners are responsible in coordinating security management, national Government functions and delivery of services, facilitate conflict management and peace-building, mobilise national government agencies for national events and programmes' (Presidential Press Statement, 2012). This action was challenged before the High Court of Kenya which ruled these appointments unconstitutional. However, the Appeal Court upheld Kibaki's appointments (East African Center, 2013).
[10] 27U7

offered to the county executive by both senior technical staff and MCAs. Dialogue and negotiation, however, is primarily within the ambit of political actors. Though senior technical officers manage to provide input, the discretion on the outcomes are politically nuanced, with the county executive being the exclusive implementer through mid-to-lower county administrative staff that have no contact with their respective Governor.

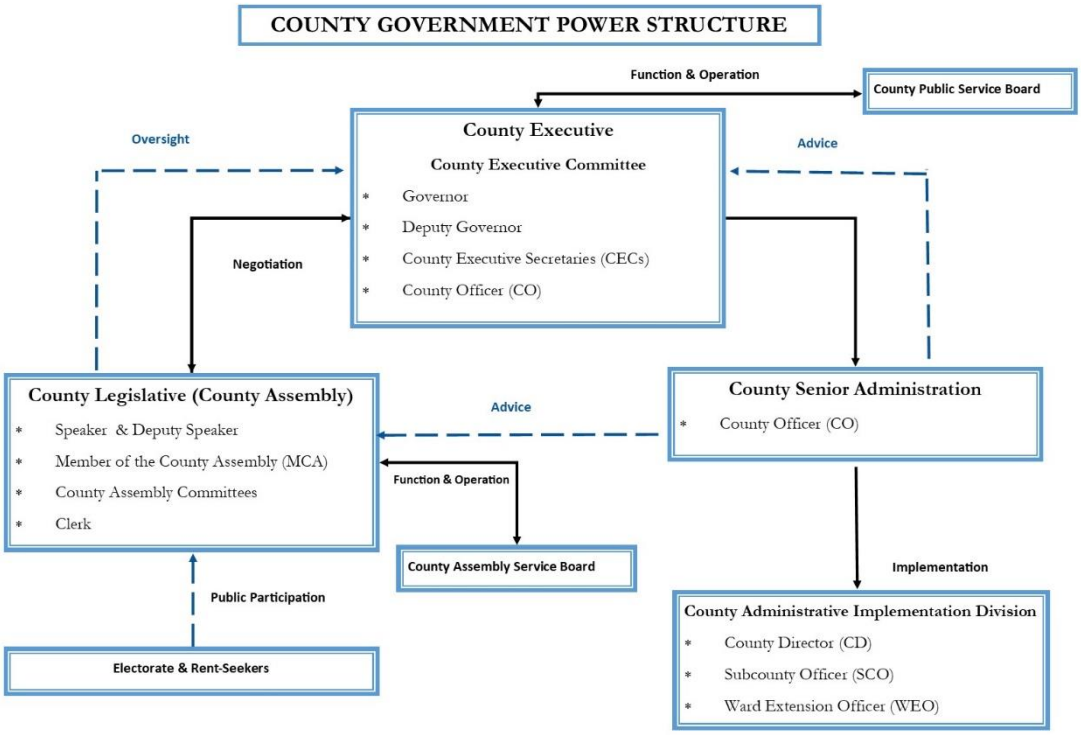


Figure 24. Adaption of Power Structures in Devolved Counties
Source: Author

Prior to the election of the first governors, there was confusion as to what the new positions would entail, especially, what sort of powers governors would have. This goes back to historic narrative of decentralisation in Kenya that was addressed in Chapter II. At independence, decentralisation was based on the 8 provinces, not 47 counties. "Governors in this model were meant to be technical, not political. Now, even MCAs want to be implementers...they want to be part of the political class…now you see them procuring heavy assets, like tractors in every ward".[11]The vision had been for subnational units to have administrators that would be led by technocrats. However, the current approach to decentralisation which sought to distribute political power, partly to placate local communities, altered this course, in favour of political decentralisation.

A key observation was the means in which agricultural decisions are made within counties. Previously, districts would receive instructions from the national government with input from district staff advising on possible interventions. The local input would inform the national Ministry on required intervention. This changed. The political top-down emphasis altered the previous way

[11]5B2

policy was developed. Namely, County Assemblies have various committees, within agriculture there is a Committee on Agriculture which mimics its national counterpart. However, these subnational Committees are regularly devoid of technical agricultural staff, with comments from respondents revealing that, "the agricultural committee should be technical, but instead it focusses on political considerations".[12] Moreover, within the technical spectrum, the Governor remains the key driver of policy implementation. This current system has created a top-down arrangement whereby, even the county legislature is formally limited to oversight. The only political actor with the autonomy to positively implement project/programs within the county is the governor.

Below the Governor is their appointed County Executive Minister (CEC), and County Officer, with hiring starting from County Director(s),[13]and then Sub-County Officers who manage Ward Officers. Essentially, the "structure of agriculture in counties has institutionalised political precedence. The appointed CEC makes the decisions top-down on how technical staff should operate. Before 2013, it was more bottom-up".[14] The political dominance of decision-making in agricultural policy has muted technical voices that argue, "agriculture went from a technical ministry to a political one".[15]

Debatably, agriculture being a productive sector with a heterogenous nature, requiring multiple local ministries support to coordinate objectives of the County, should arguably base its outlays on technical guidance. In other social sectors, such as education and health, sectoral centralisation, is likely to be more successful. In the agricultural sector, the centralisation of the sector and politicization of planning, is likely to dampen potential productive outcomes (Foster et al., 2001). What was evidenced is that there has been a switch from a more bottom-up approach prior to devolution, that invited local Sub-County Agricultural Officers (SCAOs) reports on recommendations for interventions as an example, to a wholesale rearrangement where orders on what will occur are derived from the CEC downwards, under the Governor's direction.

Autonomy & county legislatures: Agricultural sub-optimal results

The balance of power within counties is notably between the county legislature, represented by MCAs and the county executive, headed by the governor. MCAs are meant to provide an oversight role devoid of implementation. Whereas governors are envisioned to handle the delivery of services and public goods. The reality of how MCAs should use their power as opposed to how they use their power delves into the examination of formal and informal institutions. The overall formal legal framework around MCAs functions as representatives of their respective wards is found at Article 175[16], 179[17], & 185[18] of the Constitution (The Government of the Republic of Kenya, 2010).

MCAs main role is to exercise oversight over the County Executive Committee and any other executive county organ. This role should be enacted without interference. The most crucial avenue

[12] 6B3
[13] Count Directors are technical staff, unlike COs they are not appointed by the governor and owe their positions to their previous experiences in the pre-2010 District dispensation.
[14] 4B3
[15] 4B3
[16] Article 175, of the Constitution of Kenya (2010), 'Principles of devolved government'.
[17] Article 179, of the Constitution of Kenya (2010), 'County Executive Committee'.
[18] Article 185, of the Constitution of Kenya (2010), 'Legislative authority of County Assemblies'.

of power within County Assemblies is the Committees where MCAs make most of their deliberations. Both plenary and committee are where MCAs can put forward their agenda and attend to the concerns of their constituents.[19] This is the same process that is used when County Executive Bills are sponsored and deliberated. Despite the formal legal requirements, the extent of adherence is highly debatable.

MCAs, having been elected like governors, have inherited a sense of agency and electoral accountability to 'their' voters. They are incentivised to deliver. Deliver services and/or public goods to their respective wards. This was considered to be a critical measure of their success as a local legislators, to deliver to 'their' people, which is not unique to Kenya, though the nature of transfer was not universally limited to services and/or public goods. To compound this, there is a misconception at the level of voter, that MCAs are meant to deliver services. Formally, the law is clear that MCAs are limited to oversight, due to the conflict of interest that would arise if MCAs, the key oversight body, were also implementing county programs. This logic is something that has been challenged in various counties, with the Ward Development Fund (WDF) presenting a clear example of how the power structures in counties operate as illustrated in *figure 25* below.

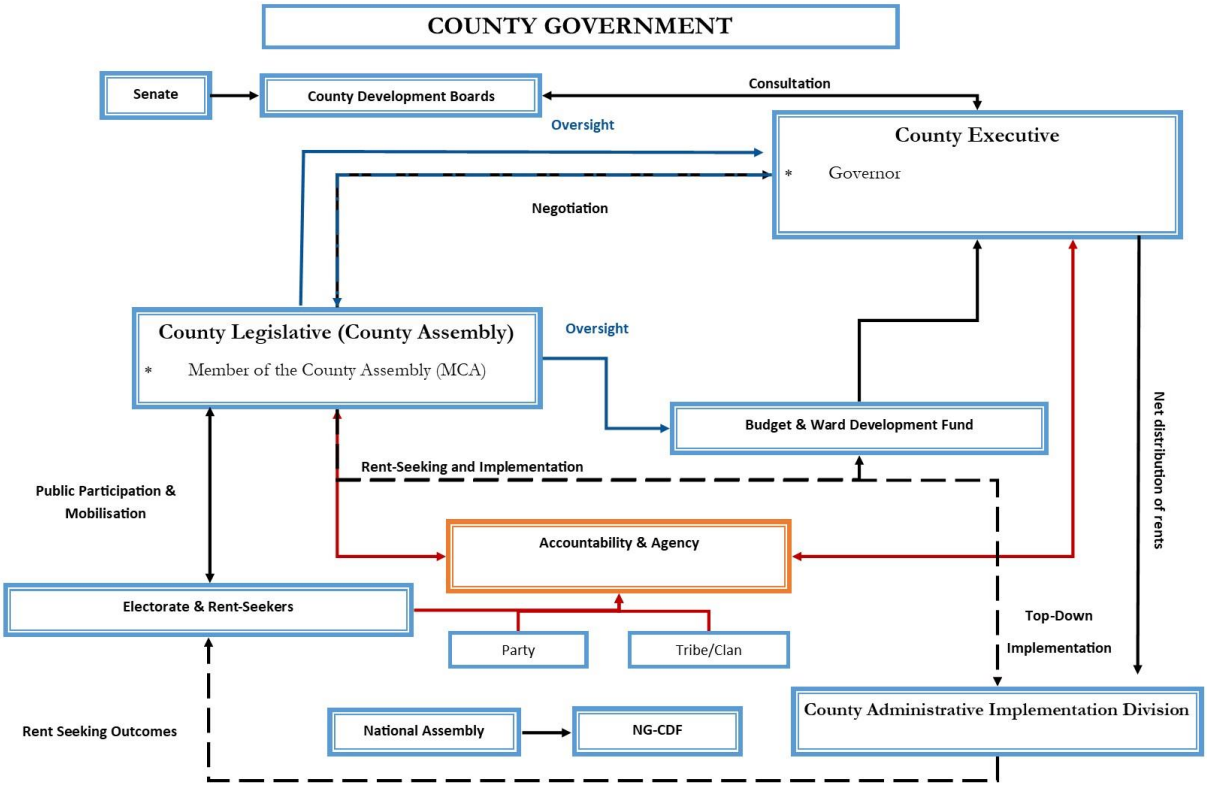


Figure 25. Power Structure and Decision-Making Realities at County Level
Source: Author

[19] The term constituents in this passage refers to the general electorate and specifically to intermediate groups that rent-seek to fulfil their interests at ward and/or county level.

MCAs have demonstrated that they will not idly sit by and watch as the county executive implements an agenda. Instead, what was observed is that MCAs informally control implementation of various programs, with the WDF being a key example of their strategy towards this end. The WDF adopts some of the same features that the previous Constituency Development Find (CDF) did at the national level, however the formal development of the fund has not followed the same trajectory. Moreover, there is no formal obligation under law, either under the constitution or the Public Finance Management Act 2012 (PfMA) to operationalize a WDF. The WDF came about due to political pressure exerted by MCAs in counties for more control of funding and development at ward level. Since inception, there have been numerous public incidences in relation to the control of the fund. The contention has been around implementation of projects at the ward level. It is assumed that members of the public will judge MCAs based on their development record. Though, having no role in implementation means that the County Executive Committee is deemed to have disenfranchised MCAs. Stalled projects, and/or incidence when previous funding is reallocated, are some of the reasons why MCAs requested to be the custodians of the fund.

The initial attempts by county legislatures to include the WDF as part of their respective budgets were mainly unsuccessful due to procedural oversight. To rectify the situation, on December 18, 2014, the Office of the Controller of the Budget released guidelines in order to bring clarity, due to the irregular means that had been sought to institutionalise the WDF around the country, which were against the PfMA and County Acts. The guidance requested a motion and approval by the county executive, prior to the same passing on the Assembly floor. The WDF would be a proportion of the county budget, and therefore, would have to be submitted with the rest of the county budget (The Controller of Budget, 2014).

Against legal regulations MCAs sought to be the stewards of the fund. Formally, it was found that this has largely been rejected, however, informally the role MCAs play in the approval of county legislation, especially the overall budget has arguably created a dynamic where the actors involved, depending on the context, have seemingly been associated with the delivery of services. An analysis of power in relation to institutions in this context is important because the relative power of different groups, "to contest, obstruct and oppose rules that they perceive to be against their interests, clearly affects the enforceability" (Khan, 2012, p. 8). In this scenario, despite the formal institutions that create the separation of power between county legislature and executive, what is observable is that MCAs have still sought informal means to be associated with the delivery of services to their wards:

> "The Ward Development Funds are quite strange. The Office of the Controller of Budget has been very tough on the funds due to separation of power issues that would not allow MCAs to be in-charge of budget implementation. This has basically pushed the funds underground where they are rarely stated explicitly in budgets. This has seen very creative measures taken between by the executive and assemblies on how to still allocate money to ward level projects. This is the reason it's a bit hard to find them in the budgets as such. However, many counties still have them in one form or the other."[20]

[20] ISS97

County governments have used the WDF to implement ward specific development plans, like water projects and the construction of cattle dips. The reality is, formally, MCAs are not able to utilise the funds without the County Executive, therefore there is a symbiotic dependency between the legislature and executive. The executive requires the legislature to pass Bills, whereas MCAs would prefer to control a segment of spending specific to their wards. It is likely that this relationship and outcomes varies in every county.

Another issue that has muddied the waters in relation to the separation of powers has been incidence where MCAs development record has been called into question by County Executives. This form of *realpolitik* could be one of the reasons why MCAs informally attend Ward Administrators meetings, including 'their' clients on lists where benefits are involved. Several participants alluded to this, "they are present at barazas and they work with SCAOs…at public functions is where the MCAs tell the farmers what they are doing for them…like free fertiliser",[21] "MCAs interfere in meetings around the committees on agriculture, due to their position in passing bills at county level"[22], and "they [MCAs] interfere in the implementation of programs. Allocating resources and oversight which can cause issues".[23] It is within this competitive clientelist environment, where service delivery, driven by forms of electoral accountability has provided outcomes that have mainly provided sub-optimal results in relation to agricultural service delivery.

Other formal institutions that have affected county outputs are the County Assembly Service Board[24] and the County Public Service Board which are responsible for the County Legislature and Executive functions, respectively. Section 12.7(a-e) of the *County Government Act 2012* sets out the functions of the County Assembly Service Board which broadly stipulates that the board was established to ensure the facilitation of the functioning of the Assembly.[25] A caveat to the Boards functions which arguably contributes to suboptimal results therefrom, is its membership, which are all political and from the Assembly. The set up does not facilitate objectivity in performance of core functions as the decisions are more likely made based on political sentiment, "in practice the service boards for County Assemblies are spaces for sharing political spoils among assembly members as opposed to an objective way of managing and addressing County Assembly needs"(Office of the Auditor General, 2016, p. 101).

An examination of the structure of power at *figure 25* indicates that public participation is meant to inform the work and operation of the County Assembly. In both the primary research and within the Report of the Office of the Auditor General (2016, p. 102), it was found, that public participation was not occurring as envisioned:

[21] 3B3
[22] 4B3
[23] 30U2
[24] Functions of the County Assembly Service Board, Section 12 of the County Governments Act, 2012.
[25] Section 12.7 (a) providing services and facilities to ensure the efficient and effective functioning of the county assembly; (b) constituting offices in the county assembly service, and appointing and supervising office holders; (c) preparing annual estimates of expenditure of the county assembly service and submitting them to the county assembly for approval, and exercising budgetary control over the service; (d) undertaking, singly or jointly with other relevant organizations, programmes to promote the ideals of parliamentary democracy; and (e) performing other functions— (i) necessary for the well-being of the members and staff of the county assembly; or (ii) prescribed by national legislation.

"In fact, the level of participation in county-related activities is very low. Ninety-three (93) percent indicated that they have never participated in the development of the county integrated plan, never been involved in the county budget development, and never been involved in the development of county policies and laws. Ninety (90) percent of the respondents indicated that they have never participated in ward development and that only 13 percent have ever participated in meetings convened by the MCA".

What is also observable in *figure 25,* is the appreciation that rent-seeking occurs in relation to the public participation, which in this case it is argued, has led to diminished rent-seeking outcomes in the agricultural sector. It is also appreciated that the rent-seeking and public participation that occurred are a reflection of power in society that is likely dominated by intermediate classes. A point supported by primary data collection which evidenced that participation seemed to be by invitation, with inadequate dissemination to the local public in relation to the meeting occurrence and/or outcomes, with results seemingly benefiting the 'connected'.

The Loss of Benefits: Petrol and AIEs

Another key change that was witnessed was the stripping away of power from a large group of previous medium level technocrats,[26] and placing it within the political structure of the county. A key example of this was evidenced by the loss of two key operational benefits that previously mid-to-lower level technical staff enjoyed: Access to departmental ministry transport; and the withdrawal of the Authority-to-Incur-Expenditure (AIEs). With the onset of decentralisation in 2013, one key indicator that counties were centralising in a period of devolution, was the restructuring of facilitation within ministries that pooled resources together, which from the research, demonstrated that it was mainly for the benefit of political staff rather than technical efficiency.

For instance, transportation of sub-national staff which was previously based on the number of vehicles that were available to a department no longer applied, as a single pool was created, and fuel allocation decreased with only a few select officers being awarded a quota that was referred to repeatedly by respondents as insufficient, "there are vehicles, but no fuel, no capacity, no assigned staff, especially since 2013".[27] "Ward Extension Agricultural Officers are constrained in [their] movement. We only travel out when it is very serious. Once in a while they give us two (2) litres of petrol, but currently, since June last year [2016] there have been no fuel allocations".[28] The ability for SCAOs and Ward Extension Agricultural Officers (WEAOs) to visit farmers is arguably paramount to effective service delivery. After 2013, all the vehicles were placed under county administration "everyone has access to the transport however, it seems that it is the more politically affiliated that get better access, e.g. since 2013 the governor [has gone] around the county and is accompanied by a motorcade…these cars would previously be within different departments, now it is fully accessed by his office".[29]

[26] From the research it was revealed that SCAOs and WEAOs had had the greatest reduction in latitude from their previous roles. SCAOs in particular were subject to criticism even from senior CDA, CO and the MCA that called for a reduction in their number with a new envisioned emphasis on the more frontline engagement to facilitate service delivery.
[27] 9K5
[28] 7B4
[29] 33U3

The centralisation of transportation also created a hierarchy which has not prioritised agricultural activities in any of the counties investigated. This had reduced the ability of SCAOs and WEAOs to interact with farmers that they were able to prior to devolution. This is not to say that there had been no new purchases of transportation in the form of motorbikes for extension staff, though even that had a centralised fuel provision, which when observed was lacking at best, "there is petrol sometimes and sometimes there isn't. Everyone was drawing fuel, now they cut it so drastically, so it is impossible…5 litres a month isn't enough".[30]

This trend was mimicked with the AIEs, "previously, every district had its own budget, SCAOs used to make budgets that were in line with what was required…today they still do, but they don't control what will be on the budget anymore".[31] SCAOs previously identified issues in-line with the budget allocation aiming to draw up a plan of engagement. However, all of this changed after 2013. The autonomy that was previously enjoyed in this regard was stripped away in favour of a system in which budgets and spending were centralised by relevant departments.

Despite the numerous protests from SCAOs, as captured in the interviews, senior county staff found the move to be positive, claiming that the reforms had changed the manner in which agricultural services were delivered, "they used to (SCAOS & WEAOs) get AIEs…most came in June before the end of the budget year, so they could control their spending. However, now this has changed. Everything is centralised at the county level".[32] "Now they have bikes, cars, fuel…we give them money. The game has changed. There is a lot of improvement".[33] This divergence in opinion is key, highlighting the disparity in perception between upper and lower technical staff.[34] It was generally clear that upper level staff felt that the reforms were positive, whereas SCAOs and below, essentially implementation staff across all four counties, remarked that they deemed the reforms as counterintuitive to the fulfilment of their mandate.

County Development Programs

Kijana-na-Acre, translated (Youth with Land), as will be discussed in Chapter VI, is an agricultural county program which aimed to engage youth in agriculture in Uasin Gishu. The program provided training for youth, farming inputs, and in each ward a greenhouse for the youth groups to enhance horticultural production. This program was supported by the County government till the point of marketing. However, what was made apparent from the interviews is that even youth programs like *Kijana-na-Acre* are subject to political interference. It was observed that these forms of rent transfer programs are prone to capture by elites who ensure that their clients receive the benefits of the county, "we [the SCAOs] did the mobilisation of farmers. They applied and those who qualified got awarded…however, at some point political leaders brought in their own groups"[35].

[30] 33U3
[31] 7B4
[32] 29U1
[33] 29U1
[34] Donor funding can help explain the lack of resources that counties have to work with. Moreover, in relation to the improvements – there is the consideration that most of the appointed COs were once at the national and/or District level. They came down to the counties. The spending trends as demonstrated in *table 31* highlighted an increase in budget allocation and spending in the sector. Therefore, from their perspective it can be argued that things have improved.
[35] 32U3

MCAs it was observed attend the selection procedures in some of the development programs, including the case of *Kijana na Acre*.

In some instances, as in Bungoma it was mentioned that:

> "initially this policy[36] [selection of beneficiaries] required the identification of the right beneficiaries. Staff were put in charge of the process of registration, with an emphasis on widows, orphans, the sick etc. MCAs in some cases forced themselves on the board of such selection committees. They had their own 'people' which they had to include in the listing".[37]

This form of patron clientelism was observably one of the key means of rent redistribution that MCAs adopted. The selection of candidates once 'vetted' by officers without the authority to challenge political actors arguably converted the public good into a direct rent transfer, which was a key finding in relation to projects that offered *ex ante* rents. Coupled with the lack of evaluation it was clear that vertical autonomy has exposed county governments to rent-seeking that in most instances seemed to be politically self-serving. As Cabral (2011, p. 7), noted devolution "does not necessarily ensure local interests and needs (particularly those of the poor) will be responded to. There is evidence suggesting that elected authorities have turned out to be less representative and responsive than central government". Therefore, autonomy though present, is subject to patron-client relationships that have diminished local autonomy in favour for the placation of elite interests.

Overall, the analysis revealed that vertical autonomy between the center and subnational units was largely in-line with administrative decentralisation normative expectations. Though at the subnational level, one of the key findings was the power dynamics which revealed that within counties, there was a centralisation which had favoured political and senior appointed administrative staff. The local rents available were dominated by these actors. Moreover, the reduction of autonomy of mid-to-lower technical officers had seemingly reduced operational capacity. This coupled with a new emphasis on development expenditure, highlighted a universal preference among county governments on programs where rent transfers could easily occur. The reduction of operational support and the new vein of development expenditure was universally observed as a key contributor to the decline of agricultural service delivery which will be discussed below.[38]

Accountability

The perspective of accountability adopted of the purposes of this sub-section utilises aspects of Dickovick and Riedl (2010), framework. Their contribution analysed downward and upward accountability amongst other things. They define downward accountability as "the responsibility of public officials to citizens and civil society, as exercised through electoral mechanisms, transparency rules and requirements, and consultations with civic actors. Whereas, upward accountability is that of public officials to hierarchical superiors, whether through the state administration (deconcentrated officials to central ministries), or the intergovernmental system

[36] What was being referred to here is an interview with 6B3, where the interviewee was talking about a free seed initiative launched by the Bungoma County Government for the benefit of marginalised individuals.
[37] 6B3
[38] See: Public Expenditure for more information.

(mayors to governors), or through such mechanisms as political parties (local candidates to party leaders who control electoral lists)" (Dickovick and Riedl, 2010, p. 7). The model in *figure 26* captures the intricacies of downward and upward accountability in Kenya. Notably, it expands on Dickovick and Rield's definition, which though broad, fails to look at the subject-matter in a manner that more usefully captures accountability mechanisms for the Kenyan context.

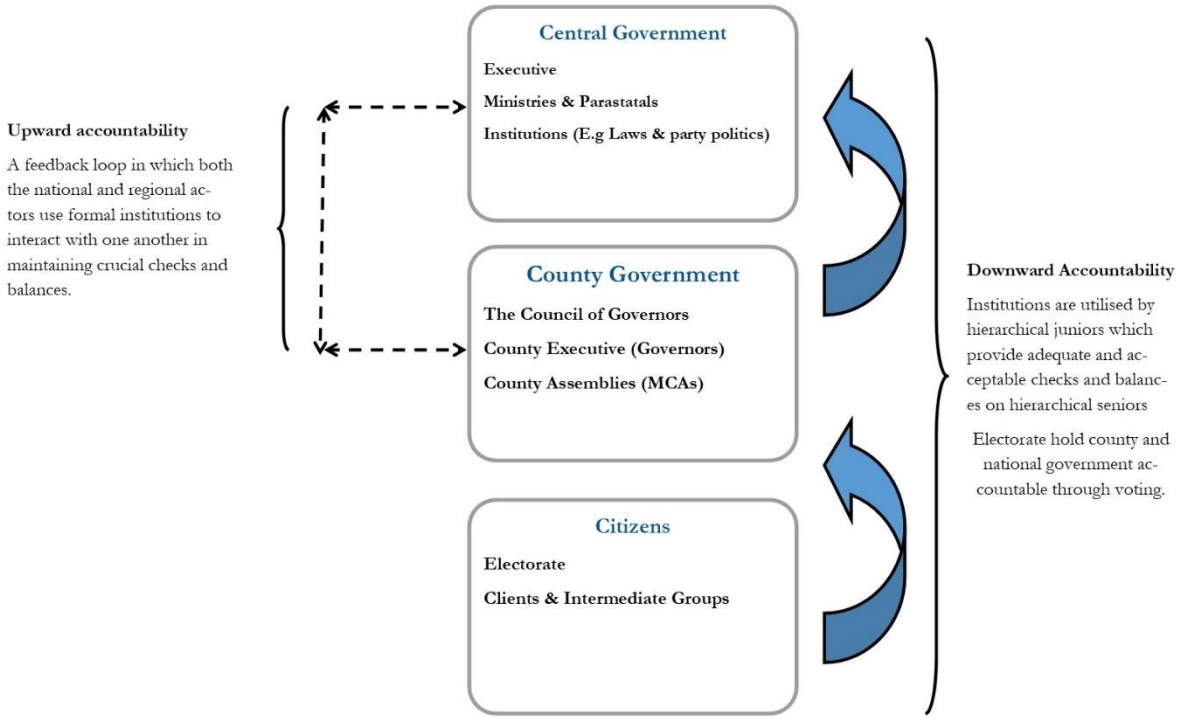


Figure 26. Upward and Downward Accountability in the Kenyan Context
Source: Dickovick and Riedl (2010); Author's adaptation

In our definition, downward accountability occurs when formal institutions are utilised by hierarchical juniors to apply adequate and acceptable checks and balances on hierarchical seniors. This interpretation includes both citizens, through the ballot, junior public officials, and the institutions that they utilise to achieve outcomes that reflect the actual balance in power that exists.

Upwards accountability in our analysis takes a wider berth than Dickovick and Riedl (2010), by excluding their emphasis on lower level public officials holding hierarchical seniors to account. This approach is considered unhelpful as it coalesces with downward accountability, emphasising that accountability is singularly vertical. The interpretation adopted in this section considers accountability along the vertical as a two-way avenue with an emphasis on the institutions that national government creates to hold actors to account. Upwards accountability is thus observed to be a feedback loop in which both the national and regional actors use formal and informal institutions to interact with one another in maintaining crucial checks and balances on power.

In the context of budgeting, that will be examined below, a clear framework and mechanisms are put in place to ensure accountability. Moreover, upwards accountability is considered to transcend formal institutions, with party politics and intergovernmental interfacing considered to be other forms of upward accountability. It is notable in this interpretation gubernatorial impeachment falls under both upward and downward accountability. This is due to its hybrid nature, MCAs initiate the process (downwards accountability), however it is the national government through Senators and the Judiciary (upwards accountability), using national laws that make the final determination. *Figure 26* above demonstrates the dynamics discussed offering insight into the way accountability in the Kenyan context will be engaged in this chapter.

Downward Accountability

"The effect of decentralization is to dramatically tighten the loop of accountability between those who produce public goods and services and those who consume them" (Faguet, 2014). As examined in Chapter III, there are normative expectations around the benefits of decentralisation. In this instance Faguet (2014), proposes that there will be an inevitable reaction engendered in the process of decentralisation, that of increased accountability which may likely lead to more positive outcomes to the consumers of the public goods and services in question. The Kenyan context however, provided a more complex feedback loop than what Faguet described. Essentially, not all negative political actions lead to a loss of office and/or popularity and vice versa. The prominence of informal institutions, and other forms of patron-client relationships has debatably in the past ensured that despite the loss of a public good and/or service, there will be no correlative loss of political office as a result. What seems to matter depends on the interests that are upheld and/or compromised.

The analysis of accountability in this chapter primarily focuses on the elected officials rather than their technical and/or appointed staff who were recognised to have significant less agency. The hierarchy of county officials plays a key role in the measure of downward accountability. A good example was in relation to voting which is dealt with more thoroughly below. From the research conducted, it was made apparent that the accountability thresholds that applied to governors were not necessarily the same as that of MCAs, as was the reasons for voting for a governor varying to the reasons for voting for MCAs, as elaborated in *table 17*. One likely reason for the variation in voting outcomes is attributed to the local political environment, the perceived ability to influence change of an officeholder, and the nature of the two counties that were researched.

Bungoma was selected as a swing county. Formerly Jubilee with a Luhyia majority that, during the period of research, was within the NASA alliance, led by Moses Wetangula,[39] this county voted in favour of a traditional local party, Ford Kenya. In Nyeri, the outcome followed a different trajectory. This Gikuyu, Embu, and Meru Association (GEMA) stronghold saw the election of a Jubilee candidate in-line with the national narrative, which was a feature in strongholds. After the primaries, it was almost a foregone conclusion that the Jubilee or NASA candidate in a respective stronghold would be elected. This was the case in Nyeri, however, the governor's reputation and vision around service delivery was also taken into consideration.

[39] Moses Wetangula was one of the 4 principles of the NASA coalition. Representing the Luhyia community from Bungoma and neighbouring western counties.

Voting and Accountability

Bratton and Kimenyi (2008), from a national probability survey conducted in 2007 examined whether Kenyans vote primarily based on ethnic identities or policy interests. Their findings revealed that in general, voting in Kenya is "defensively and fundamentally an ethnic census" (Bratton and Kimenyi, 2008, p. 14). Nevertheless, despite a considerable amount of voting being defensive, with fears that other groups would organise politically against the voters prescribed group, voters also considered their own self-interest, taking policy and track-record into account.

Since 2007 Kenya has devolved, altering voting by providing subnational units and/or largely homogenous ethnic groups, the opportunity to select political candidates amongst themselves. Bratton et al. (2012), using aggregate data on 16 African countries demonstrated that voters sought to engage in both ethnic and economic voting. Thus, elections were not just an ethnic census. It is debatable that over the last decade, Kenyan voting habits at the national, and now subnational level have altered. Without substantial survey data the dissertation was limited in this observation. However, to establish how accountability operated at the rural ballot, the dissertation explored what influenced the respondents voting preferences.

In all four counties visited county officials were asked to provide their opinion on the reasons for farmers' voting habits. The reasons provided for voting were highly uniform, highlighting their assumption, that Governors and MCAs are weighted by the same measures. This however was not the case when farmers themselves were asked to address the issue in the focus group exercises (*See Chapter VI*), with perceived service delivery record and manifestos being key to MCA selection especially in Bungoma. Overwhelmingly, in all counties, officers from CO level down to SCAO, 15 of 18 stated that when it comes to voting, farmers will vote for tribe, clan, or party. 2 of 18 SCAOs in all four (4) counties felt that service delivery would be weighted more prominently than tribe. *Table 17* below captures county officials' perception around voting, which it is submitted, acts as a feedback loop in relation to current downward accountability understanding and inevitable public good outcomes.

County	Position	Perception
Bungoma	2 SCAOs and 1 WEAO	Voting by farmers was not based on service delivery primarily. Most voted based on tribe
Kiambu	3 CDAs, 1 SCAO and 1 WEAO	Voting largely based on tribe. This was followed by the candidate's development agenda
Nyeri	1 CDA and an AFA officer	Voting based on tribe and party
Uasin Gishu	2 COs, 1 CDA, 1 Crops Officer, 2 SCAOs, 3 WEAOs	Voting based on clan and tribe. The second most prevalent answer was their development agenda
Total	2 COs, 5 CDAs, 2 Misc. Officers, 5 SCAOs and 5 WEAOs	

Table 17. Perceptions on Farmer Voting Habits from County Officials
Source: Author

Notably, in Bungoma and Uasin Gishu it was acknowledged that some voters are bribed to vote a certain way, which was corroborated in the focus group exercises,[40] "most farmers are poor, politicians give them Ksh100 for their vote. They don't focus on the issues that the politician is addressing".[41] This sentiment by a county official captured the nature to downward accountability providing further insight into the nature of the subject matter. Essentially, when votes are not cast based on service delivery expectations, rather on patron-client terms seeking redistributive rents, arguably, public service delivery will not be a priority to the elected official. Essentially, you have been compensated for the vote, extinguishing future fiduciary expectations around accountability.

A SCAO encapsulated vote buying and its effect stating, "some public officials, like MCAs actually bribe farmers and other voters to get into power. Until people change their attitude this will not change".[42] It is this erosion of accountability in some instances that arguably affects voter expectations, benefiting public officials while preventing clearer insights into the impact of public goods on the respective electorate. In Uasin Gishu the situation was similar, "…they don't know why they vote – they are given Ksh100 and they will vote for a candidate. It is mainly tribal, not based on development…tribalism and selfishness, which favours individual benefit over the community".[43]

Another finding from the field research, though not as prevalent as tribe or party, was the expectation that service delivery could affect voting habits. Though this was not the dominant case across the four counties, it was notable. This revealed that some public officials grasp that service delivery and public goods can capture the vote. Moreover, in counties where there was an expectation in relation to a foregone conclusion of the voting outcome of a party, based on historical party affiliation *inter alia*, ethnicity was less of an issue, and service delivery expectations were higher than in swing county counterparts.

Table 18 below highlights the prevalence around the perception of the pre-eminence of tribe and party as key factors to winning an election, which may assist in explaining why redistributive policies and development spending seem to be considered ahead of extension and training as better techniques in sequestering votes (Bratton and Kimenyi, 2008; Poulton and Kanyinga, 2014b). This also takes into account farmers lack of organisational capacity to collectively act on their interests, in contrast to intermediate groups which are generally able to organise with or without significant assets and/or capital. *Table 18* also provides farmers reason for voting for Governor and MCAs. What was generally demonstrated was a more mindful appreciation of service delivery than had been intimated by phase I and II respondents.

[40] B.1.2
[41] 3B3
[42] 7B4
[43] 36U4

Question	Bungoma	Nyeri[44]
On what basis do you vote for Governor?	▪ "Service Delivery" sentiment that he would deliver the change that most people expected (6 Groups). ▪ "Past Record" Former PS, expectation of understanding of systems (3 Groups) ▪ "Local Son" seen as a man of the people from the people (1 Group). ▪ "Bribery" paid to vote a certain way (1 Group).	▪ "Development Agenda" Vision for the county's development (7 Groups). ▪ "Party" Jubilee ticket in a stronghold county (4 Groups).
Aggregate Results	▪ Development agenda (7 Groups) ▪ Service Delivery (6 Groups) ▪ Party Affiliation (4 Groups) ▪ Past record (3 Groups) ▪ Local son (1 Group) ▪ Bribery (1 Group)	
On what basis do you vote for MCA?	▪ "Persona" the candidate's level of education, youth, engagement in the community etc (5 Groups) ▪ "Track record" service delivery, retained for a 2nd term (3 Groups) ▪ "Party Ticket" (3 Groups)	▪ "Part Affiliation" Jubilee (7 Groups) ▪ "Service Delivery" (3 Groups) ▪ "Local Reputation" (1 Group)
Aggregate Results	▪ Party Affiliation (10 Groups) ▪ Service delivery/Track record (6 Groups) ▪ Candidates individual Persona (5 Groups)	

Table 18. Focus Group Basis of Voting for Governors and MCAs
Source: Author

It was generally assumed by all levels of interviewees except farmers, that the rural farmer vote is mainly based on party allegiance and/or tribe. The prevalence of tribe as a factor to influence voting in Kenya should not be underestimated. Shilaho (2018), attributed what he referred to as ethic loyalty, to the expected benefits that would be derived by a group in order to ascend the socio-economic ladder as a key motivator for voting habits. The concept of regional champions, as presented by Poulton and Kanyinga (2014) (*See* Chapter I), highlights this notion of an individual who embodies the interests of a group of people, in the case of Kenya, normally a tribe and/or clan. Amplified by the weak institutional party politics, this individual is deemed to be the best candidate to deliver resources and promote group interest in a region.

Table 18 suggested that though this may be the case in strongholds and more prevalent at MCA level, it was not an unwritten rule. As evidenced by the farmer groups in both Bungoma and Nyeri, where the primary consideration before tribe and party affiliation in the gubernatorial election was

[44] There were a few variables that stood out as the reasons why people voted for the late governor. Two of the top were his development agenda for Nyeri county, which people believed he could deliver on, and him winning the Jubilee ticket.

service delivery and/or development agenda. This being stated, both gubernatorial candidates hailed from parties that had a national and/or local platform, demonstrating the importance of national party tickets in providing a visible platform. In Nyeri and Kiambu, which were Jubilee strongholds, the term used to rally votes in 2017 was "*thu-ti*". A phrase derived from suit, in this instance to mean that the voting pattern of the region was geared towards providing the Jubilee Party a clean sweep of the votes from Governor to MCA despite candidature.

The findings highlighted that a local elected official 'providing' for 'their' people, did not create an automatic link to accountability. As the field research was conducted in only four (4) counties, there were recognisable limitations. However, what was observed across the sample, was a reduction in operational support in favour of development spending and direct transfers.

Moreover, the effect of rent transfers did not guarantee re-election, demonstrating that the impact that they have on various individuals, groups, institutions, and communities, did not secure support from the general population. After the August 8, 2017 election within the four counties that were researched, only Mr Mandago retrained his seat as governor, as highlighted in *table 19*.

County		Governor & Party 2013	Governor & Party 2017
Bungoma	Candidate	Mr Kenneth Lusaka	Mr Wycliffe Wangamati
	Party	Jubilee Alliance	Ford Kenya
Kiambu	Candidate	Mr Willam Kabogo Gitau	Mr Ferdinand Waititu
	Party	National Alliance Party (TNA)[45]	Jubilee Party
Nyeri	Candidate	Mr Nderitu Gachagua	Mr Wahome Gakuru
	Party	Grand National Union of Kenya (GNU)[46]	Jubilee Party
Uasin Gishu	Candidate	Mr Jackson Mandago	Mr Jackson Mandago
	Party	Jubilee Alliance	Jubilee Party

Table 19. Gubernatorial Election Results in 2013 & 2017 in Researched Counties
Source: Author

Prior to national gubernatorial elections, are the party primaries. It is at this point that candidates compete to run on various party tickets. The nomination of a gubernatorial candidate is at this juncture decided by party faithful. In strongholds this was telling that considerations of popularity, despite an almost sure victory, were still a factor to parties. Previously, in 2013, there was no comparable 'track-record' on which to rely, save for individuals previous reputations. However, in 2017 this changed. Out of the 47 governors' only 12 retained their seats.[47] To the 35 others who

[45] The National Alliance was Uhuru's Kenyatta's party. In 2013 he ran on their ticket prior to the alliance with William Ruto's United Republican Party (URP), which led to the creation of the Jubilee Alliance, that turned into the Jubilee Party after a merger in 2016.
[46] GNU merged with Jubilee in 2016.
[47] Amason Kingi (Kilifi), Hassan Joho (Mombasa), Alfred Mutua (Machakos), Salim Mvurya (Kwale), Jackson Mandago (Uasin Gishu), Mwangi wa Iria (Murang'a), James Ongwae (Kisii), Sospeter Ojaamong (Busia), Wycliffe Oparanya (Kakamega), Samuel

lost their seats, a message had been sent by the electorate, arguably accountability mechanisms worked, and strategies to retain office needed to be adjusted to translate to positive electoral outcomes (Keefer and Vlaicu, 2008).

It was clear that people still vote heavily on tribal lines that are related to the national parties that 'represent' those communities, however, what the gubernatorial and MCA elections also revealed was, despite parties maintaining their foothold, candidates in their own right were expected to deliver services to a broad-based section of society, and rents to powerful groups. If not, they could be easily replaced. This demonstration of downward accountability was mirrored with the nominations and election of MCAs.

A clear example of downward accountability occurred in Bungoma, which was a swing county that was picked for its political dispensation, and its significant role in the production of sugar. Being a swing county alludes to the likelihood of a change in voting patterns at all six (6) levels,[48] which happened after Mr Lusaka's first term, when he was replaced by the incumbent, Mr Wangamati. Focus groups in Bungoma generally stated that initially, Lusaka was elected due to his previous occupation as a Permanent Secretary (PS) of agriculture. His experience in government, and background in agriculture were considered promising.

However, the 2017 election demonstrated his failures as an administrator, especially due to allegations of corruption, bribery, nepotism, and the 'wheelbarrow scandal' that hung over his administration. The latter involved the county government tendering for the purchase of wheelbarrows. The price per unit that was paid for a single wheelbarrow was Ksh 109,000 per unit, close to $1,000 per wheelbarrow (Amadala, 2018). The public outcry received national attention. The brazen nature of tenderpreneuring, which had pandered to his local clients spelled the end of any realistic defence of his position as governor, demonstrating the presence and effectiveness of downward accountability mechanisms in cases where pronounced state capture and corruption are brought to the fore, diminishing the credibility of the administrator, in what Keefer and Vlaicu (2008, p. 401), refer to as a "never believe again punishment." Notably, there are instances in which political actors, known for graft will manage to co-opt hierarchical seniors and horizontal peers to their defence. In these cases, a politician may survive and retain their seat. However, in this case, the local politics and nature of graft created an 'emotive' narrative that spelled the governor's demise.

Public Participation

The examination on public participation sought to analyse whether decentralisation had led to a more responsive local government, which took into account the desires of farmers,[49] that constituted a majority of the electorate. In Bungoma, most groups claimed that they had not

Tunai (Narok), Martin Wambora (Embu), and Moses Lenolkulal (Samburu) retained their seats, (https://www.standardmedia.co.ke/article/2001250838/waiguru-ole-lenku-biggest-winners-as-23-governors-seal-re-election)

[48] Kenya carries out six (6) elections every five (5) years: Presidential; Senate; Member of Parliament; Governor; Member of County Assembly; and Women's Representative.

[49] It is acknowledged that there are various quintiles of farmers. It was recognised that farmers are not a homogenous group, with top quintile farmers being part of local elite interests that capture rents for their own interests. However, in relation to the farmers referred to in this section, the chapter is referring to farmers that are considered subsistence and/or not controlling significant assets at a commercial scale.

undertaken any form of public participation. This escalated, to the misconception that barazas and field days were forms of public participation.[50] There were members in groups that had participated in such exercises, though they were a minority.

In Nyeri, 3 of 11 groups, were 'aware of public participation and they also attended' as highlighted in *table 20*. Overall, most groups had not heard of any specific form of public participation. Some groups had heard of rallies and/or meetings organised by a Chief or public body like the Kenya Tea Development Authority (KTDA). The groups and members that attended public participation meetings were a small minority. Moreover, what was telling is that the participants in these meetings were normally, 'invited' to participate. The local administration identified them and informed them of the meetings. This went some way in addressing the lack of dissemination and knowledge about the meetings by farmers who were unaware of such meetings.

Results from the focus group public participation exercise	
Counties	
Bungoma	▪ "No public Participation" claims that they had never heard of it (5 Groups) ▪ "Public Participation" in various forms i.e. the Chief's office (3 Groups). ▪ "Perceived Public Participation" these were not meetings in which there was participation, instead more like gatherings e.g. field days, barazas etc (2 Groups) ▪ "Aware but not invited" (1 Group)
Nyeri	▪ "No public participation" (4 Groups) ▪ "Aware but no invited" (3 Groups) ▪ "Public Participation" (3 Groups)
Aggregate Results	▪ No public Participation (9 Groups) ▪ Public Participation (6 Groups) ▪ Aware but not invited (4 Groups) ▪ Perceived Public Participation (2 Group)

Table 20. Public Participation Results from Focus Groups
Source: Author

Public participation was included as one of the core tenets of the Constitution (2010) at Article 10.2(a), "the national values and principles of governance include—(*a*) patriotism, national unity, sharing and devolution of power, the rule of law, democracy and participation of the people". There are numerous other articles that touch on the subject matter, including Act of Parliament, namely the Public Finance Management Act (18 of 2012) and the County Governments Act (17 of 2012). For the purposes of this section, it is the County Governments Act that truly draws out the centrality of public participation. Part VIII refers to as 'Citizen Participation', Article 87 broadly refers to timeliness of information dissemination, the facilitation of access to information, the protection of marginalised groups, a reasonable balance between the county government and non-

[50] Field days and barazas are merely public events where farmers are trained and/or get exposure to new techniques. There may be a public rally, however the purpose of these events is not public participation, it's merely about dissemination of information.

state actors, and recognition of the complimentary role of county administration and its constituents (*The County Governments Act*, 2012).

Article 91[51] goes further to compel county governments to facilitate the establishment of structures for citizens to participate in public forums. If it wasn't clear at this stage, Article 115 states, "public participation in the county planning processes shall be mandatory" (*The County Governments Act*, 2012: Article 115). Planning in this respect at Article 107 refers to County Integrated Development Plans (CIDPs), County Sectoral Plans, County Spatial Plans *inter alia.* Once again at Article 106(4) it is stated, "county planning *shall (emphasis added)* provide for citizen participation".

From the sample of relevant legislation provided public participation was a key factor in achieving accountability. However, the results from the focus group exercises demonstrated that this legal aspiration had been eroded. MCAs were heavily attributed to this form of selectivity as stated by several WEAOs, "we hear them [MCAs], we're on the ground. The MCAs come a day before, and they plan how the meeting will go".[52] This was reinforced by a focus group in Nyeri County, "it is not clear who is invited, though it is not a lot of people",[53] with another group mentioning that it is the local MCA that selects participants.[54]

Public Participation and Group Selection

The key issue with programs, was the selection of the groups. As with public participation, it is local administrative staff, normally SCAOs that oversee the registration process, due to their logistical placement and knowledge of their area. Research revealed, that despite compiling lists of legitimate candidates, MCAs were known to disrupt the process by including their own lists of beneficiaries as evidenced by a SCAO who stated, "MCAs interfere in meetings around the committees on agriculture, due to their position in passing bills at county level".[55]It is likely that this interference negatively affected service delivery, especially in programs where direct rent transfers occurred.

In all four counties, a common means of distributing of benefits, was the creation of a program that mimicked some form of direct transfer. MCAs contributed to this process in relation to the selection of beneficiaries at county level by attending meetings where candidates are being selected:

> "*Kijanna na acre* has not been an overall success with the amount it has brought in returns. MCAs come in with their groups. There is no vetting of these groups. This program is a loan, MCAs told them that it would be a grant…it is hard to know who is telling the truth, however the accounts on the project are dead".[56]

One of the reasons for the collapse of *Kijanna na acre* was due to the change in nature of the program. From a loan providing capital, training, and inputs, to a mere transfer that on receipt

[51] County Governments Act 2012, Article 91: Establishment of Modalities and Platforms for Citizen Participation.
[52] 35U4 & 36U4
[53] N.2.5
[54] N.2.3
[55] 4B3
[56] 36U4

ended up being squandered, "with untrained groups the money just disappears. They aren't even farmers".[57]

As stated, *Innua mama na kuku* was a grant that preceded the youth program. This program with an identical selection mechanism was also subject to political rent-seeking in relation to selection of groups, "we did the mobilisation of farmers. They applied and those who qualified got awarded…however, at some point political leaders brought in their own groups".[58] Moreover, not only were pre-selected groups included, in some instances they overshot the allocation, shedding the intend benefits of the program by further redistribution:

"3 groups were brought in later after we selected…26 were [initially] approved. Though after the extra addition, bringing it up to 29, it seemed that the extra groups were brought into the fold for political reasons. If you try follow-up, it simply doesn't work with these groups. We couldn't make them do the right thing for the project. They collected the money and vanished".[59]

These two programs are representative of numerous other county programs that provide for the transfer of cows, seeds, goats, and other agricultural inputs which have become a mechanism for rents to be distributed to clients. Accountability in these instances is hard to measure. For some of the beneficiaries are notably 'legitimate' farmer groups. Moreover, the informal organisations that benefit from the transfers may be attributed to having significant organisational capability at the county level, which can assist public officials in the retention of public office. That being considered, the penetration of these programs is something to be called into question. Out of the 22 focus groups that were conducted in Bungoma and Nyeri, only three (3) groups could claim to be beneficiaries of these programs, with most not knowing, or only hearing that there were programs after the event. A key narrative was a lack of information about the process of application and selection.

In Bungoma groups mentioned that the county government "brought cows, chickens…it is hard to know how and who gets the benefit. You have to be connected. People here don't get to know what is working and when it is happening".[60] In addition, to emphasise the primacy of patron-client relationships in the selection of groups even by SCAOs and WEAOs, most focus groups provided a position that revolved around, "this system allows for people who are connected… you just hear that something has happened…you don't know how they got it…it is unclear how it happens".[61] Nyeri was the only exception to this trend. However, it is notable that in the case of Nyeri, the farmer groups that were visited, and had positive remarks about benefiting from county programs, had been identified by a SCAO prior. Reinforcing the notion that proximity with technical staff and more-so, political appointees is beneficial to rent-seeking outcomes.

Upward Accountability

Ndegwa (2002, p. 13), defines upward accountability as "the degree to which local government performance is supervised [as opposed to controlled] by central government". This interpretation

[57] 34U4
[58] 32U3
[59] 32U3
[60] B.1.2
[61] B.1.2

as with his downward accountability is perceived as a good basis, but not broad enough for the purposes of a clinical examination for the current exercise. This interpretation of upwards accountability considers the role of the local institutions, (County Assemblies and County Executives), the intergovernmental relationships (between national and county ministries), and accountability through political parties (local candidates to their political parties and/or leaders), *figure 26*.

County Governments and National Supervision

Despite fiscal decentralisation existing in the current devolution framework, there are rules set in place to ensure that counties operate within certain bounds. In the subsection below,[62]fiscal decentralisation is examined in more depth, however for the purpose of this subsection, it should be noted that fiscal decentralisation in the form of county officials planning budgets is performed by counties. This is not to omit the stringent rules that exist, such as limiting the share of expenditure that counties can allocate to various activities, such as share of expenditure to recurrent costs.[63] What will be demonstrated is the two-way interactions between national and subnational governments.

The monitoring and evaluation process around planning and budget development involves a multi-tier process of reporting from counties. Counties are permitted to plan. However, their implementation of plans is another matter altogether. The drafters of the County Governments Act 2012 (CGA), and the Public Finance Management Act 2012 (PfMA), aimed to create a series of procedures that counties were to follow. The CGA creates "an obligation to plan…and then creates a requirement that budgeting be linked to those plans: no public funds shall be appropriated outside the planning framework" (Lakin, 2016, p. 19).

This approach though seemingly thoughtful is undercut by the process in which this planning occurs. The CGA requires four (4) steps to be followed, while the PfMA requires three (3). The CGA requires: Counties to prepare a five (5) year County Integrated Development Plan (CIDPs); a ten (10) year sector plan, a ten (10) year spatial plan; and an Urban plan (to be reviewed every five (5) years). The PfMA requires: Counties to prepare Annual Development Plans (ADPs) in addition to those in the CGA no later than September 1st of each year.[64] There is little to no guidance on how all these plans are related. The ADP, which is an annual plan is directly linked to the budget. Logically it would be expected that the ADP is an annual snapshot of the CIDP. However, the timing of the ADP's submission is in September, right after the beginning to the financial year, is essentially seven (7) months out of step with any planning. Moreover, the stringent requirements which request for "all major programs and capital investments for the year, with a description of key goods and services, and measurable indicators of progress, plus a summary of the budget"(Lakin, 2016, p. 19), essentially creates an expectation that county governments should draft their budgets seven (7) months prior.

[62] Section on 'Capacity'
[63] PfMA
[64] Article 126(3) PfMA 2012.

After approval at the County Assembly, soon thereafter the County Budget Review and Outlook Paper (CBROB)[65] is developed. From November to December, stakeholders interested in the five (5) sectors of county development: Education; Health; Public Administration (Assembly and Executive); Infrastructure and ICT; and Agricultural Rural Development (ARD), are requested to meet and make inputs, "we meet stakeholders[66] in each sector, in order to make sure that they are getting what they need. Proposals are introduced and added to budget lines if accepted".[67] It is allegedly based on this information from public participation, that on February 28th annually, at Section 117 of the PfMA 2012, that the County Fiscal Strategy Paper (CFSP)[68] will be derived. At this stage money is distributed to programs and capital projects through the budget estimates that have been developed. The confusion between whether the earlier ADP or sector hearings takes precedent is something that future legislation will have to address, as they contradict each other when read together. However, all this is to demonstrate that there are guidelines in place around the way planning and budgeting occurs at the county. Though this is not to take away from the reality, which is, counties largely carry out their own planning without formal National government interference.

The Constitution and the PfMA require each county to publish budget information during formulation, approval, implementation, and audit stages to ensure that the public has the opportunity to make contributions. The interviews with senior county officials presented their efforts as admirable and far reaching. From publishing information in papers, "[going] to the ward level, go[ing] to the chiefs' office and let[ting] people know what they will get from the project".[69] When pressed on public engagement, it was not the fault of the county government that was identified, but public apathy, "the challenge is…most people don't turn up. Most Kenyans have yet to embrace to process of devolution".[70] When compounded with the common practice of participation by invitation, the irony was evident. However, the more telling aspect is demonstrated in *figure 27*[71]which highlights counties adherence to national government regulations around disemination of budget information for public participation in 2018. The trend demonstrates that information was genereally not avaialble. Notably, Uasin Gishu and Baringo both stoodout ahead of their peers.[72]

[65] Which sets out how money should be divided and used in the sectors.
[66] Stakeholders are considered to be civil society, associations, unions, cooperatives, private sector actors, and public institutions among others. There is certainly a lack of 'common' public interest as evidenced by the interviews around public participation revealed.
[67] 29U1
[68] "The CFSP is the Paper that creates the budget ceilings" 29U1.
[69] 29U1
[70] 29U1
[71] International Budget Partnerships, (2018).
[72] 'Online' is merely one way of ensuring that budgets are available for public participation. This is certainly not exhaustive in relation to means of dissemination. However, it is a good indicator of county governments willingness to publish their documents. Arguably, they do return the same documents to the national level, however as noted, this information is meant to assist with participation, which unlikely if there are no formal avenues to access it.

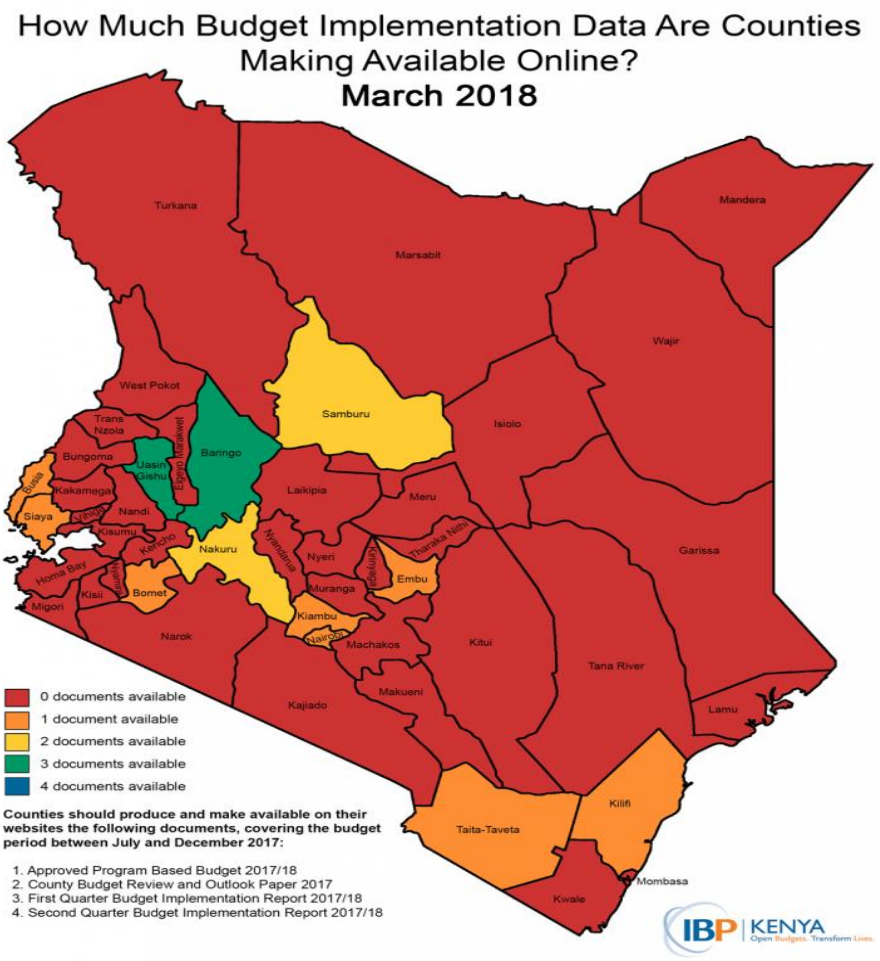


Figure 27. How Much Budget Information are Counties Publishing Online?
Source: International Budget Partnerships(2018)

Counties flouting of regulations did not provoke strong national reprisal. Incidentally, this delicate political approach was not adopted between elected political actors towards each other.[73] The Senate was one of the legislative modifications that the 2010 constitution introduced, a new upper house of Parliament to accompany the lower National Assembly, where Members of Parliament (MPs) pass national laws.[74] The Senate is deemed to be the key organisation that protects the devolution process, Article 96(1), states that "the Senate represents the counties, and serves to protect the interests of the counties and their governments. (2) The Senate participates in the law-making function of Parliament by considering, debating and approving Bills concerning counties, as provided in Articles 109 to 113" (The Government of the Republic of Kenya, 2010).

The position of Senator in the national profile prior to 2013, may have been deemed to exceed that of governor initially in the political hierarchy, which lead to some senior political actors to vie

[73] This refers to Governors, Senators, Member of Parliament and MCAs.
[74] Article 94(1) (The Government of the Republic of Kenya, 2010).

for senatorial positions instead of gubernatorial positions. However, after the implementation of devolution in 2013, it became clear that governors were the true force behind the process of devolution, controlling rents and planning. Immediately, governors were witnessed with flags on their cars, out riders for their convoys, signing agreements with foreign states, all of which the national government pushed back on.

For example, on the right to have a flag on gubernatorial official cars. Initially the Transition Authority allowed them to fly the national flag. This privilege was, however, revoked in 2013 by the National Flag, Emblems and Names (Amendment) Act 2014 (Kenya Law Reports, 2015b). A Petition by the CoG[75] claimed that the amendment to the law was unconstitutional. The court was not sympathetic to their petition. However, it did demonstrate that governors were seeking further autonomy having come out of devolution as arguably the biggest winners. Senators were arguably the biggest losers of the process as highlighted in Chapter III. Though what is important in this instance is the formal upward accountability mechanisms utilised by the national government to ensure conformity.

Political Parties and Co-opting

The overarching role of political parties is valuable, for it demonstrates the degree of autonomy and accountability various political actors enjoyed outside the patronage of being elected under a certain party ticket. Regarding governors, once in office, they sought to redefine their roles with a call for a referendum, against the will of the National government that controlled a majority of counties. Through the CoG, governors were able to organise and act essentially against the will of their national patrons, with a referendum call for higher allocation of national revenue to the counties being the key provision. The *Pesa mashinani*, 'money for the grassroots', was a non-partisan alignment of governors seeking 45% of revenue allocation of latest exchequer accounts *inter alia*[76] (Dikembe, 2014).

During the period of research, governors had sought to appear independent of their parties, demonstrating that they have not been co-opted into a centrist agenda, while also enjoying the benefits derived from being a party member. As the *de facto* defenders of devolution, governors sought to be separate from the national political milieu, to be identified separately as the champions of the process with 'delivery' to their respective constituencies as paramount to their interests. In an environment where patronage is systemic, this dynamic created an intersection of both downward (local county electorate) and upward accountability (party affiliation). The result highlighting the dynamic process of checks and balances that are a reflection of the distribution of

[75] Petition 298 of 2014 brought by The Council of Governors which was established under section 19(1) of the Intergovernmental Relations Act as a body that consisted of governors of the 47 counties; the council is a body of persons and therefore has the requisite right to institute a claim for alleged violation of the constitution.

[76] Other provisions included: Strengthening the role of Senate by making it an Upper House with concurrent legislative powers with the National Assembly, but with a final say over matters touching on Counties, while creating a consultative mechanism to give effect to Article 96(1) of the Constitution on the role of the Senate on representation; create a role for counties in security matters at the county level while maintaining national oversight; Separate Gazettement of laws between the National and County Government; clarification of counties role in environment, forestry, land and natural resource management; refine recall/ impeachment laws; further oversight to ensure that no new laws can overreach the gains that have been made through devolution; reorganize the equalization fund to be administered by the CRA on the basis of a scientific framework; and ensure MCAs enjoy the same privileges as MPs in a proportionate manner.

power among organisations (Khan, 2018b). Though the *Pesa mashinani* referendum never came to fusion, it demonstrated that the upward accountability that exists moves in both directions.

Intergovernmental Relationships

The functions and share of responsibilities along various ministries vary depending on the sector. This analysis focuses on agriculture with respect to other ministries and the narratives that were drawn. Overall, education and security remained firmly under national control with counties implementing various aspects. In agriculture, the division of responsibilities remained a political compromise. However, there are identifiable areas which counties and national government have different functions. For example, the creation of agricultural policy is not disputed, it is explicitly a national function. Similarly, the responsibility over extension is unanimously considered a county function. Though not all aspects of agricultural public policy are as clear, "the line is so thin",[77]stated the head of planning and strategy at AFA in relation to the division of agricultural sectoral responsibilities.

From the research it was demonstrated that county governments largely select and prioritize the programs that they wish to enhance locally. Moreover, there is no connection in staffing from the ministry to counties. County governments and governors select their 'ministers' (CECs) and County Officers (COs). Moreover, the Agricultural Sector Development Strategy (ASDS) did not have feedback mechanisms in the form of monitoring and evaluation to make it enforceable, and/or a comprehensive instrument to be used in the agricultural realm. Notably, due to its inception prior to devolution, it simply failed to consider the structural changes that were adopted in 2013.

Public policy since 2013 in agriculture was at best ad hock. Every sector with its competing interests had an approach that was suitable for the organisations involved. There was limited intergovernmental upwards accountability in the agricultural sector, except in niche sub-sectors that involve the distribution of inputs. A good example is the NCPB. County governments were generally responsible for the data collection, and the certification of intended beneficiaries receiving subsidies. The national government was still responsible for overall regional allocative distribution, due to historical determinants and trends within various input delivery channels. However, it is within the counties where the administrative lists are created, and inputs distributed, providing possible opportunities for the capturing rents. The prevalence of patron-client relationships compounded with the poor monitoring and evaluation mechanisms, arguably allowed for the persistence of rent-seeking in these areas without overt national intervention.

CECs were tasked with the distribution of significant national subsidies. Prior to the distribution of inputs at county-level from the NCPB, there is a stocktaking exercise, in which farmers are identified and registered. The registration is handled by local NCPB agents. In practice, the local NCPB agent relies on local SCAOs and WEAOs to provide information on farmers, "we work with the committees that are set up by the Ward Administrator. This may also include the Area Chief and WEAO. After getting the list, it is sent to the SCAO and CDA…[who] ensure it goes up the pipe".[78] The information provided will generally be in relation to the farmers farm size,

[77] ISS63
[78] 26U5

capacity, socio-economic background, among other provisions that identify the amount and type of input that will be distributed. The NCPB use a voucher system for the distribution of fertiliser in accordance with recognised needs from the reports that they receive. At this stage accountability mechanisms are functional. Inputs are tendered for by the NCPB to local importers who ship in the inputs on behalf of NCPB to their local silos. It is at this leg that historically several unproductive rent-seeking outcomes occur.

It begins with the lists of farmers proposed. Despite the NCPB fulfilling its mandate, without the capacity to verify the information, it is possible that the information that is provided may be doctored, as has been the case, "first, they compromised vetting committees charged with identifying genuine farmers to enable them to buy the input (subsidised fertiliser) at a subsidised price of Sh1,500 from the NCPB stores. The cartels further worked with brokers to repackage the fertiliser for sale to desperate farmers at between Sh2,000 and Sh3,000 per 50kg bag at retail markets" (Matara and Wanja, 2018). This from the 2017 maize scandal, which saw the sacking of Newton Terer the NCPB CEO.

As discussed in Chapter II and IV, institutions responsible for the distribution of inputs to commodities destined for the domestic market in the agricultural sector are unlikely to be able to be protected from unproductive rent seeking, especially when the rent-seeking benefits powerful elite actors. The lack of national institutional capacity to verify information was alluded to by Devolution Cabinet Secretary Eugene Wamalwa, when he noted that ghost farmers had no place in allotments of inputs that are meant to target smallholder farmers despite the prevalence of the practice, "complaints were raised over the payments made to farmers for the 2017/2018 crop season and there were allegations payments had disadvantaged genuine farmers in preference of traders" (Okinda, 2018).

From ghost farmers, adulterated inputs, input price manipulation, and the local political class interested in local patron client relationships, "when the benefits are derived, MCAs and politicians will be quick to claim the delivery…it is about popularity, they want to be seen to be doing".[79]All these factors and more demonstrate that there is a break in the linkage in the upward intergovernmental accountability formally, however, informally there is an argument to be made that national government has continued to perpetuate the rent redistribution of the past. The distribution of inputs at subnational level has continued to mimic previous distribution of subsidies in the country, however, there are also new forms of redistribution that are attributable to subnational actors (D'Arcy and Cornell, 2016; Nyoro et al., 1999).

Historically, the lack of ministerial ability to significantly alter unproductive rent-seeking has left smallholders exposed to interests that have favoured millers and other elites in the maize sector (Poulton, 2009). Decentralisation has not significantly altered this. The former Director of MOALF captured the state of national-county upward accountability mechanism failure stating, "the Kenyan welfare paradigm is used as a smoke screen to allow the preservation of local and national elite interests to carry on…the political interests don't align with public policy".[80] This statement recognised the pre-eminence of elite interest in devolved units, which arguably have

[79] 33U3
[80] ISS57

less oversight being more easily co-opted into rent-seeking practices that were unproductive. Highlighting that ministerial upward accountability between 2013-2017 failed to adopt appropriate monitoring and evaluation mechanisms that could be enforced or compel better service delivery without local political support.

County Legislature and County Executive

This final sub-section examines upward accountability and the relationship between the shorter vertical, of county legislature and the county executive. Governors remained the key beneficiaries of the devolution process. That being the case, they have also been targeted by both national elected officials, as mentioned above, and by their legislative *peers*, in local Assemblies. One of the best examples of upward accountability has been expressed in county assemblies that have had open grievances against governors' conduct. The spirit of the law of impeachment is centred around accountability.

Governors, having benefited greatly from the new dispensation, enjoying a collective national platform with the CoG, and being at the epicentre of local respective county political power, enjoy a privileged perch. This vantage is however checked formally by the Constitution (2010) at Article 181 which provides the grounds for impeachment: "(*a*) gross violation of this Constitution or any other law; (*b*) where there are serious reasons for believing that the county governor has committed a crime under national or international law; (*c*) abuse of office or gross misconduct; or (*d*) physical or mental incapacity to perform the functions of office of county governor."

The County Governments Act (2012), at Section 33 provides the procedure that is required to remove a sitting Governor. Basically, a motion may be brought by an MCA by notice to the speaker, supported by at least a third of all members. If the motion is thereby supported by two-thirds of the Assembly, the Speaker of the county assembly shall inform the Speaker of the Senate of the resolution within two (2) days. What broadly follows is a meeting in the Senate to hear the charges, the appointment of a special committee with eleven (11) Senators, who will investigate the allegations. If a majority find in favour of the allegations within ten (10) days, the Governor's impeachment will stand. This multitiered approach to impeachment has been used several times since 2013. The high threshold arguably bars partisan politics, with a bipartisan weighting required in non-strongholds.

Some of the most notable examples have been in the impeachment of Murang'a County Governor Mwangi Wa Iria who was impeached on October 21, 2015 by MCAs who accused him of gross misconduct, only to survive the process at the Senate ("Murang'a Votes 35-17 to Send Governor Home," 2015). Murang'a, a Jubilee stronghold. The impeachment was associated to local politics and wrangles between the Governor and local MPs, led by Kigumo's Jamleck Kamau ("Murang'a Votes 35-17 to Send Governor Home," 2015). This demonstrated, among other things, that upward accountability mechanisms can be enabled even in strongholds where there is a rivalry, and/or a dispute in the conduct of the governor.

The same pattern was replicated in other counties including in Embu, another Jubilee stronghold, this time against Martin Wabora.[81] In this instance Senate upheld the decision to impeach the governor. This landmark decision on May 13, 2014 sent tremors across co-gubernatorial peers. However, this time it was the Court of Appeal that saved the governor, with a finding of no wrongful misconduct (Makana, 2015). Furthermore, unlike Lusaka in Bungoma, they both won their party tickets and retained their seats in the 2017 elections. These are examples of the existence of upward accountability, without downward accountability mechanisms in terms of voting affecting overall political outcomes at the ballot.

The machinations of internal local politics aside, this form of upward accountability demonstrates that there are significant checks and balances on the exercise of power at county level in relation to governors. However, impeachment is a drastic lengthy process. A more mundane, yet highly significant process of accountability is found in the laws around budgeting. It is notable at the CBROB stage, the law only allows Assemblies to change 1% of the overall budget, "within 14 days they can either reject the budget or make change[s]…so far there have been no rejections".[82] This is not to say that there is no consultative process, on the contrary, it demonstrates that once budgets have been drawn, the law sets out a process to avoid political delays in a process that is critical for the functioning of the county. Indeed, governors despite their executive stature require support from MCAs, who will also require governors adhere to their conditions. In some instances, this has arguably translated itself into inefficient redistribution, with many governors aiming to placate MCAs by sharing resources equally rather than equitably. This arrangement was even criticised by an interviewed MCA:

> "We are sharing money equally in all wards…it is not a good system. Sharing equally throws up inequalities and doesn't work equally. There is a lack of prioritisation. This hurts the development agenda that we have. In the last year, [Ksh] 6 million was allocated to water [development] in three (3) sub-counties, two (2) [Ksh] million in each, and till today there is no flowing water. Spreading money in the end serves nobody."[83]

Overall, devolution has created more nuanced checks and balances. All levels of county administration are subject to forms of accountability which perpetuate themselves formally and informally. Upward accountability mechanisms in Kenya will seemingly continue to develop as new political dynamics evolve. An example that fell outside the period of research occurred in 2019. The Director of Public Prosecution (DPP), and Ethic and Anti-Corruption Commission (EACC) began to take more assertive measures to curb graft in subnational units, leading to the arrest of several governors (Citizen Digital, 2019; Menya, 2018; Nderitu, 2019).

[81] "The governor has been accused of flouting the County Government Act by appointing public servants without the assembly's approval. Additionally, he was faulted for flouting the Public Procurement Act in the purchase of Sh35 million worth of maize seeds that never germinated, procurement of vehicles and authorization of the renovation of Embu Stadium at a cost of Sh50 million up from Sh8 million" (Makana, 2015).
[82] 29U1
[83] 27U7

Capacity

Capacity refers to the ability of a subnational actor to be able to enforce formal rules towards the provision of intended public goods. This was observed as human capacity and resource availability to utilise the local human resources. Frequently, in Sub Saharan African (SSA), as remarked in Chapter III, subnational units face a lack of capacity as one of their key constraints in the implementation of decentralisation. Low capacity is often used as a justification for the limiting of decentralisation, on the basis that the sub-national unit(s) are unable to conduct, and/or can deliver an intend public good. Alternatively, the national government will claim that it is in a better position to deliver the public good. The logic follows that decentralisation should give way to the national government which should carry out the prescribed task due to its comparative advantage (Dickovick and Riedl, 2010). Hence, this section focused on resource availability and local organisational capability.

Revenue allocation

The allocation made to counties represents a constitutionally guaranteed transfer to cater to county requirements. The instrument that enforces the allocation of funding is embodied in the Constitution of Kenya, 2010. The allocation at Article 203 (2)[84] & (3)[85] states that 15 per cent of all revenue collected by the national government, calculated on the most recent audited accounts shall be allocated to the counties (The Government of the Republic of Kenya, 2010). The constitutional nature of the allocation is telling for it ensures that the process is formalised, outside the ambit of periodic political pressure and can be enforced *figure 28*. Thus far, the Kenyan government has honoured the constitutional expectations.

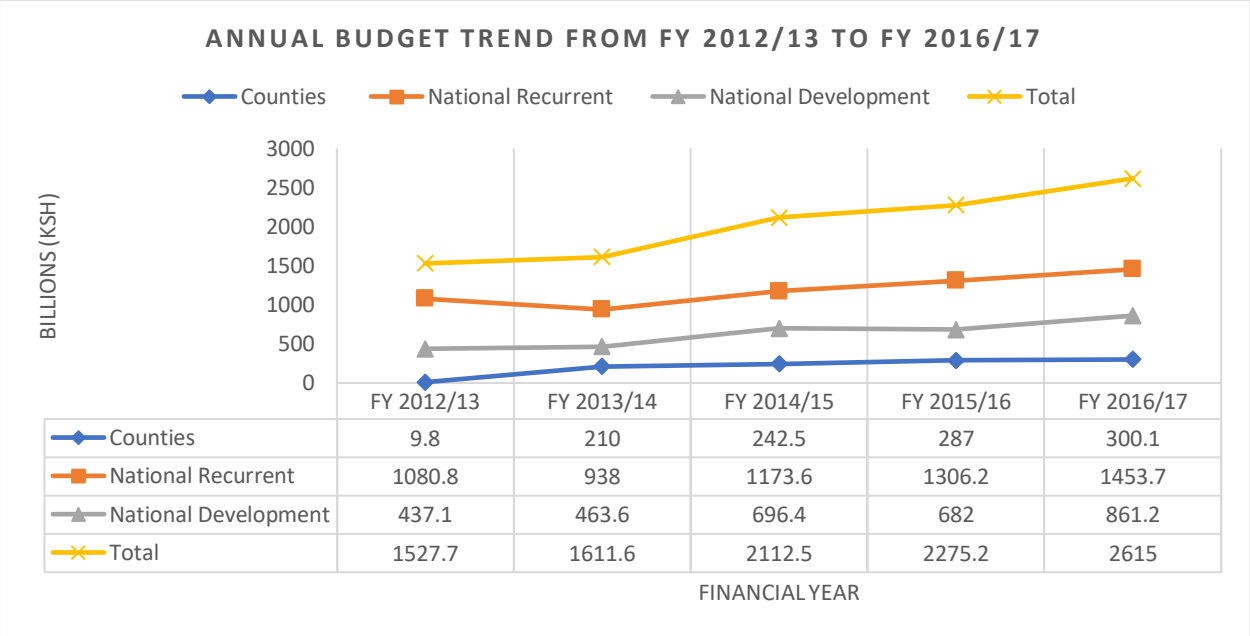


Figure 28. Annual Budget Trend from FY 2012/13 to FY 2016/17
Source: The National Treasury and Planning (2018)

[84] Article 203 (2) of the Constitution of Kenya, (2010) "For every financial year, the equitable share of the revenue raised nationally that is allocated to county governments shall be not less than fifteen per cent of all revenue collected by the national government".
[85] Article 203 (3) of the Constitution of Kenya, (2010), "The amount referred to in clause (2) shall be calculated on the basis of the most recent audited accounts".

Figure 28 above provides information on national budget trends since FY 2012/13. What should be highlighted in this instance is the annual budget allocation to counties. The Jubilee government on numerous occasions stated that they greatly exceed the constitutional expectation. Uhuru Kenyatta has been quoted affirming that under his tenure the government has continued to surpass the fifteen per cent minimum, going as far as doubling it. From *figure 28* above, it is clear that the claim, despite being technically correct, is a false herring,[86] likely designed for political overtures, rather than hard truths (Office of the Auditor General, 2016). An analysis of allocation demonstrates that the national government failed to allocate double the constitutional minimum, however, the threshold of 15% was is attained, enabling counties to have the capacity to carry out their functions (see "Allocation to Counties as % of 2013/14 Budget").

The amount of money allocated to sub-national units is one of the key enablers to ensure that a unit has the capacity to perform its mandated operations. There is no finely tuned prescription as to what amount is required for such an exercise, largely due to the varying contextual requirements. However, there is a necessity for an allocation of resources from the center to the subnational units. Another critical aspect in relation to revenue allocation, is the means in which national revenue is distributed. In Kenya it is determined by the Commission for Revenue Allocation (CRA) formula. The formula provides direction for the equitable distribution of resources nationally. During the period of research, this was based on six parameters that excluded political and/or ethic dispensation: $\mathbf{CA_i = 0.45PN_i + 0.26ES_i + 0.18PI_i + 0.08LA_i + 0.02FE_i + 0.01DF_i}$ as captured on *table 21*.

Parameter	Weight
CA=Revenue allocated to county	
i= County: 1,2……47.	
PN_i=Revenue allocated to a county based on Population Factor.	**0.45PN**
ES_i= Revenue allocated to a county based on Equal Share factor. This is shared equally among the 47 counties.	**$0.26ES_i$**
PI_i= Revenue allocated to a county based on Poverty Factor.	**$0.18PI_i$**
LA_i= Revenue allocated to a county based on Land Area Factor.	**$0.08LA_i$**
FE_i= Revenue allocated to a given county based on Fiscal Effort.	**$0.02FE_i$**
DF_i= Revenue allocated to a given county based on Development Factor.	**$0.01DF_i$**
Total	**100.00**

Table 21. CRA Revenue Sharing Formula (2017)
Source: Development Initiatives (2017)

[86] FY2012/13: 0.6%, FY2013/14: 13.05, FY2014/15: 11.5%, FY2016/16: 12.6%, & FY2016/17: 11.5%

Article 203(3) of the Constitution of Kenya (2010) presents the provision, that it is submitted has permitted the government to position itself in a light that is arguably far more favourable than what it should be. The provision determines that the equitable allocation to counties shall not be less than 15 per cent, "calculated on the basis of *the most recent audited accounts* [emphasis added]". It is notable that the last audited financial year was 2013/14, which inflates the allocation that the government has made. Moreover, the 15 per cent of government revenue that is expected as a constitutional minimum is inflated doubly, due to the significant national budget deficit, where expenditure has hugely exceeded revenue, hence the claims of over 30% allocation to the counties can me made possible in this skewed light. *Table 22* demonstrates both the allocation based on FY 2013/14, and effect of the budget deficit.

Financial Year	FY 2012/13	FY 2013/2014	FY 2014/15	FY 2015/16	FY 2016/17
Annual National Allocation to Counties (Ksh Billions)	9.8	210	242.5	287	300.1
Total Kenyan National Budget (Ksh Billions)	1527.7	1611.6	2112.5	2275.2	2615
Estimated revenue (assuming budget deficit of 40%) (Ksh Billions)[87]	916.62	966.96	1267.5	1365.12	1569
Allocation to Counties as share of Total National budget (%)	0.6%	13.0%	11.5%	12.6%	11.5%
Allocation to Counties as % of Previous Budget		13.7%	15.0%	13.6%	13.2%
Allocation to Counties as % of 2013/14 Budget		13.0%	15.0%	17.8%	18.6%
Allocation to Counties as % of Estimated Current Revenue		21.72%	19.13%	21.02%	19.13%
Allocation to Counties as % of Estimated 2013/14 Revenue		21.72%	25.08%	29.68%	31.04%

Table 22. Kenyan County Budget Allocation FY 2012/13-2016/17
Source: The National Treasury and Planning (2018); Author's analysis

Table 22 reveals the rationale behind the national government's claims of overly generous allocations to counties is arguably a political ploy (see row: *allocation to counties as % of estimated 2013/14 revenue)*. It is also worth noting that the estimated revenue in FY 2016/17 is 41.58% higher than 2012/13 revenue. Effectively this means that the equitable share would be 19.13% if it had been based on estimated FY 2016/17 revenue rather than the glowing 31.04%. Despite this, county governments are getting their constitutional allocation. Therefore, the issue in relation to

[87] Budget deficit projected at Sh635.5 billion --6.3 per cent of GDP-- this fiscal year (2019) (Mwaniki, 2019)

capacity was primarily not based on funding, but how the allocation was being utilised at the subnational level in the agricultural sector.

Public Expenditure

Two key areas of investigation put forward by the thesis regarding public expenditure were: Did post-2013 witness an increase in agricultural allocation and expenditure in subnational units; and what was the nature of distribution of expenditure post-2013. Both these propositions interrogate the role of rents.

Total County Expenditure

Nationally, county governments allocation and expenditure in agriculture in FY 2014/15 to FY 2016/17 registered a nominal increase in agricultural expenditure similar to the researched counties. The data utilised, did not apply FY 2013/15 as a benchmark due to data availability,[88] which only included allocations of Kenya Shillings 11 Billion, but excluded actual expenditure. It is noted that ideally, FY 2013/14 would be preferential as it was the formal inception of decentralisation, which also mirrored the data collected from the researched counties, however, despite the exclusion, the data provided largely similar outcomes in trend.

Figure 29 captures that on average the total allocation was six (6) per cent, and "county governments allocated 45 per cent to the recurrent budget and 55 per cent to the development budget" (The National Treasury and Planning, 2018, p. 141).

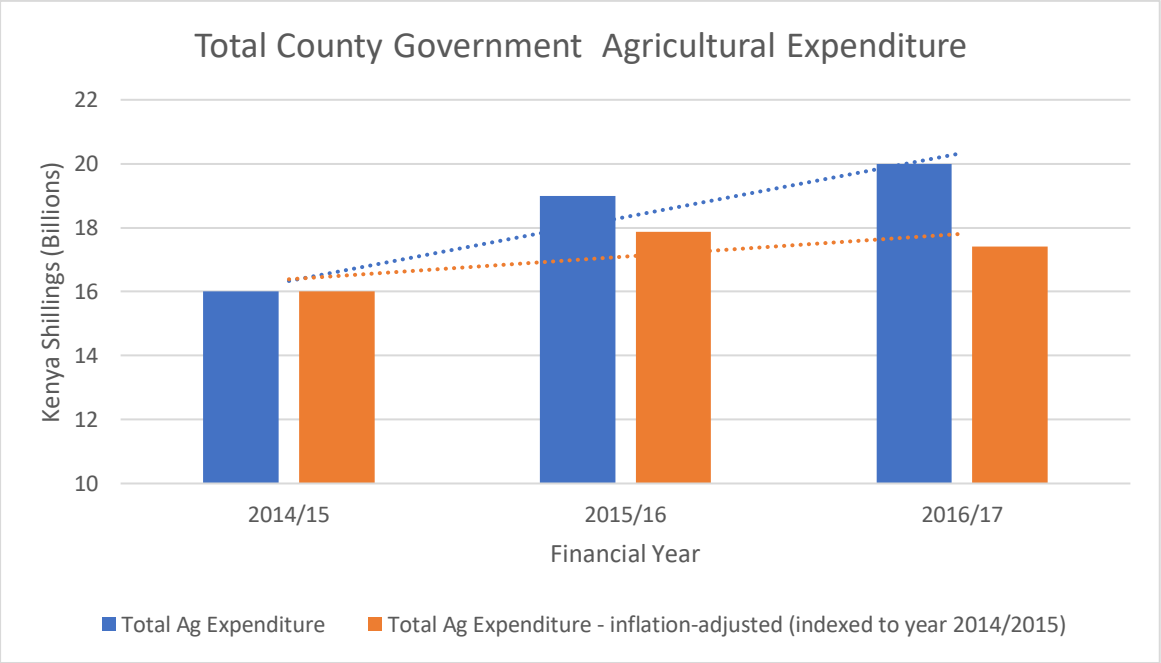
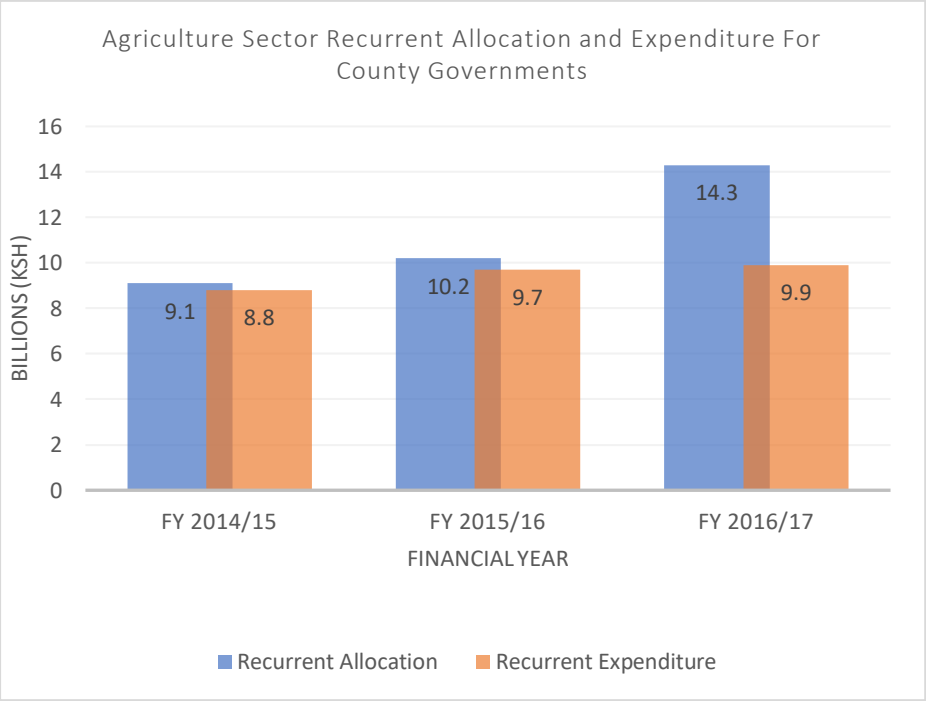


Figure 29. Total County government agricultural expenditure
Source: The National Treasury and Planning (2018); Author's analysis

[88] "At this time, recurrent expenditures were budgeted under the governor's office and it was not possible to isolate the budget by departments. On average, total allocation to the sector was six per cent. The nominal level of funding rose slightly for county governments" (The National Treasury and Planning, 2018, p. 141)

Figure 30 below, is based on approved estimates and expenditure for county government agricultural sectors between FY 2014/15 to FY 2016/17 highlighting recurrent and development expenditure. Recurrent and development allocations increased throughout the period with FY 2016/17 presenting the largest increase. Absorption lagged with the largest difference in development expenditure. However, development expenditure rose each year eventually surpassing recurrent share in FY 2016/17. Overall, this reinforces the hypothesis that allocation and expenditure increased at the subnational level, especially regarding development expenditure.



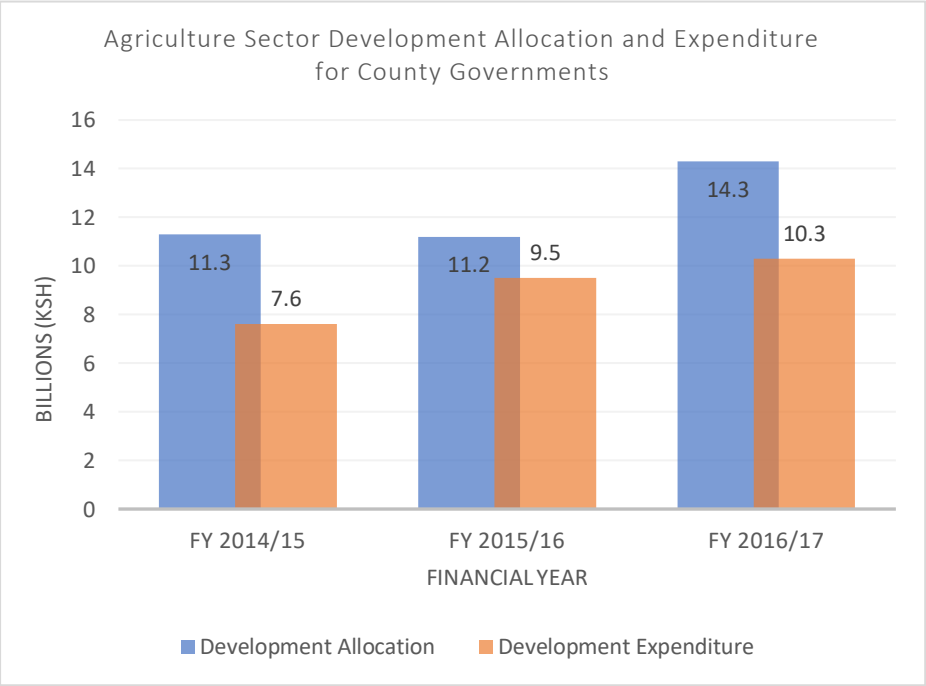


Figure 30. Agriculture sector recurrent and development allocations for county governments
Source: The National Treasury and Planning (2018)

Researched County Agricultural Expenditure

Transfers were considered to be indicative of the intended beneficiaries and potential impacts in the agricultural sector. We found that county governments in all four counties neglected operational costs around extension, while increasing expenditure on development. In FY 2013/14 to FY 2016/17 there were steady increases in agricultural development expenditure as captured by growth rate: Bungoma had a growth rate of 34.5%; Kiambu witnessed an increase of 38.3%; Nyeri enjoyed an increase of 47.3%; and Uasin Gishu's growth rate was 162.8% during the period as highlighted below in *table 31*. These figures also demonstrate that there is plenty of diversity when it comes to agricultural development expenditure across the examined counties.

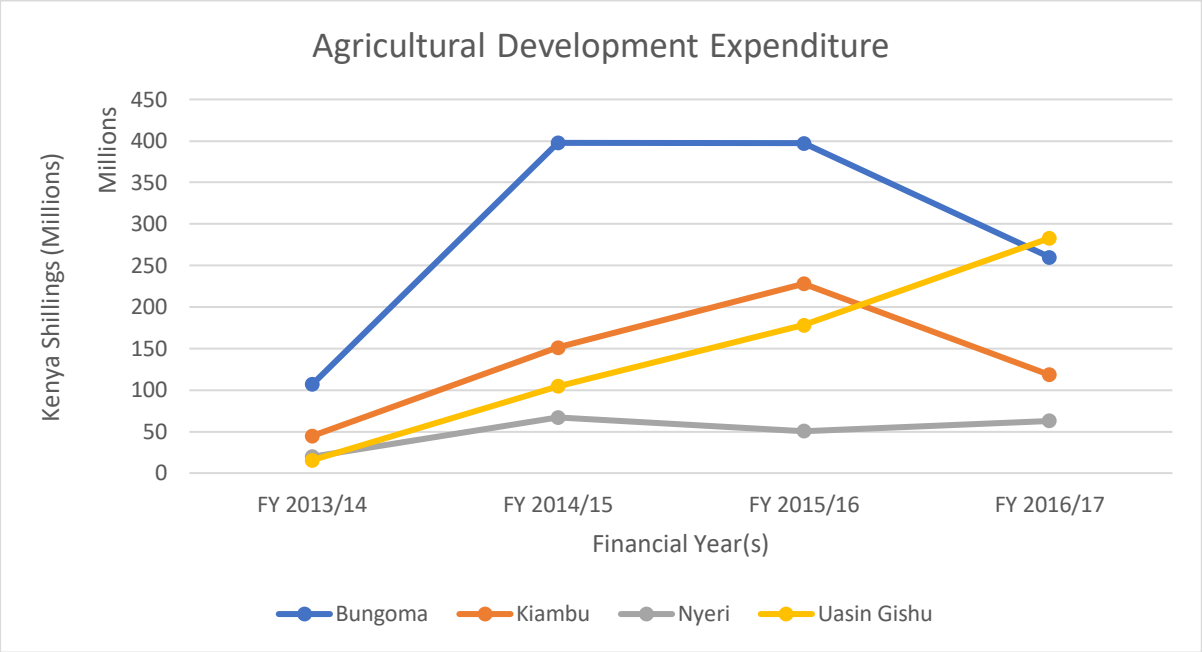


Figure 31. Agricultural Development Expenditure in researched counties
Source: World Bank (2018); Author's analysis

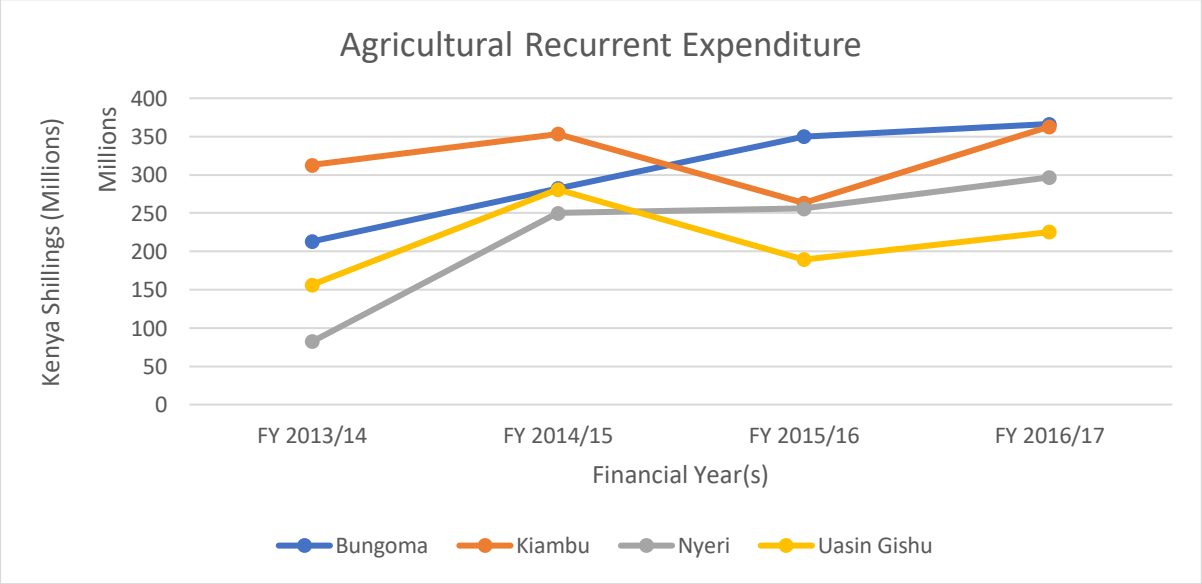


Figure 32. Agricultural Recurrent Expenditure in Researched Counties
Source: World Bank (2018); Author's analysis

In relation to FY2013/14 to FY 2016/17 there were increases in total budget allocation to all the counties with Bungoma witnessing the lowest increase with 39 per cent, Kiambu with the highest 74 per cent, and Nyeri and Uasin Gishu sharing a similar increase of 67 per cent. Similarly, to national trends, recurrent expenditure increases were more gradual and uniform. However, in actual terms recurrent expenditure by FY 2016/17 was higher in all the counties apart from Uasin Gishu (*table 32)*. Total development expenditure, as with total agricultural development expenditure above, also witnessed growth, however not as impressively. In FY 2013/14 to FY 2016/17, Bungoma witnessed a 117 per cent change, whereas Kiambu topped the rest with a 139 per cent change, followed by Nyeri at 61 per cent and Uasin Gishu with the lowest change of 20 per cent reflecting a more balanced approach to development expenditure over the period. In every county there was an increase in budget allocation, total development expenditure and agricultural development expenditure.

Table 31 demonstrates that 3 of the 4 counties experienced significant increases in development expenditure over the four (4) financial years, with Nyeri as the outlier. Uasin Gishu provided the most significant observable increases in spending during the election season,[89] which would have been a likely indicator of rent transfers, though they were on an upward trend since FY 2013/14. Budget allocations and expenditure are compared below, with absorption rates improving over the period as allocations grew. This improvement in allocation is likely a sign of the initial transition costs in addition to the growth of allocations to the counties from the national government.[90]

The section below sought to provide a comparative analysis on the effect of decentralisation in the agricultural sector pre-and-post decentralisation to understand what happened to the availability of rents at the subnational level.

Case Study: FY 2008/09 Snapshot Comparison FY 2014/15

This case study was carried out to reinforce the primary data and to investigate the nature of expenditure at the subnational level. To achieve this, a comparison of budget data on agricultural expenditure in FY 2008/09 and FY 2014/15 was utilised. FY 2008/09 was selected primarily due to data availability in both quantitative (World Bank, 2018, 2002) and qualitative forms (Owuor et al., 2010, 2009; Sikei et al., 2008).

The segregation and analysis of the data also provided an insight into donor and national funding shares within districts. To ensure that a comparison could be made between FY 2008/9 and FY 2014/15, the previous districts that currently geographically are part of counties were included to enhance reliability. In FY 2014/15 in all the counties (Bungoma[91], Kiambu[92], Kitui/Mwingi[93], Nyeri[94], Homa Bay/Rachuonyo[95] and Uasin Gishu.[96]

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[89] August 8, 2017
[90] Appendix II
[91] Bungoma county consists of the previous districts of Bungoma North, Bungoma East, Bungoma South, Bungoma West, and Mt Elgon.
[92] Kiambu county consists of the previous districts of Kiambu East, Kiambu West, Thika, and Gatundu.
[93] Kitui county consists of the previous districts of Kitui Central, Kitui West, Kitui East, Kitui South, Kitui Rural, Mwingi North, Mwingi Central and Mwingi West.
[94] This county was not considered due to the incomplete data sets. This despite a concerted effort to resolve the matter.
[95] Homa Bay county consists of the previous districts of Rachuonyo North and South, Homa Bay, Suba, Ndhiwa, and Mbita.
[96] Uasin Gishu county consists of the previous districts of Turbo, Soy, Ainabkoi, Moiben, Kessess, and Kapseret.

The performance of this exercise confronted several challenges and, therefore, required some heroic assumptions to be made. Firstly, since 2008/9 the geographical subnational units had changed, requiring the FY 2014/15 county data to account for all the districts that were previously part of county, as illustrated in *table 33* below. Moreover, from FY 2008/9 there was a steady unit proliferation of districts which made interpretation of data more cumbersome in terms of staffing numbers.

2014/15 County	2008/09 Districts	Comments	Salary (Multiplier Used)
Bungoma	Bungoma North, Bungoma East, Bungoma South, Bungoma West, and Mt Elgon	5 districts in 2008/09, but these were not as large or fully staffed as the districts used as staffing comparators.	3
Kiambu	Kiambu East, Kiambu West, Thika, and Gatundu	Four fully staffed districts in 2008/09.	4
Kitui	Kitui North, Kitui South, Mwingi	Kitui was just being divided in 2008/09	2
Homa Bay	Homa Bay, Rachuonyo, Suba	Suba had little funding in 2008/09	2.5
Uasin Gishu	Eldoret East and West	Two fully staffed districts in 2008/09.	2

Figure 33. Amalgamation of previous districts to Counties
Source: Author

Secondly, the Government data sourced was from FY 2008/9 only included the ministry of agriculture, excluding fisheries and livestock, which at the time were separate ministries. By contrast the county data for FY 2014/15 covered expenditure for the whole of the agriculture sector, including fisheries and livestock. As the ministries of fisheries and livestock had a much smaller presence at district level in 2008/09 than ministry of agriculture(Owuor et al., 2009; Sikei et al., 2008), to ensure that there was some comparability between the figures for 2008/09 and 2014/15, the budget data for ministry of agriculture in 2008/09 were multiplied by a factor of two.

Thirdly, the data for recurrent expenditure for 2014/15 incorporates expenditure on staffing, whereas the 2008/09 data does not. By contrast there was limited data on staff numbers in Bungoma and Kiambu. This required that data available from the other districts, be applied based on the size of county and agricultural productivity, with a mean extracted regarding salary numbers and total salary cost.[97] The sources of the data on the Ministry of Agriculture Job categories, total salary costs and numbers were derived from Owuor et al., (2010), (2009); Sikei et al., (2008). To ensure that data reflected size of counties multipliers based on the size and prominence of districts was applied (*figure 33*).

Lastly, an adjustment had to be made to enable comparison of budget data over time. One approach is to account for inflation using the Consumer Price Index (CPI). In 2014/15 the CPI

[97] For more details check the Appendix II

was 60% higher than in 2008/09. Therefore, the FY 2008/9 expenditure figures were multiplied by a factor of 1.6 to account for general inflation. However, total government expenditure increased by 175% over the period 2008/09 to 2014/15, facilitated by the significant budget deficit. In the second approach, the increase in total government expenditure in FY 2008/9 was multiplied by a factor of 2.75.

The results of these comparisons, using Bungoma as an example, are shown in *table 23*.

Expenditure	**Financial Year**			
		Recurrent	Development	Total
Government of Kenya	FY 2008/9	12,501,285	26,244,560	38,745,845
Donor	FY 2008/9	0	8,963,545	8,963,545
Combined / Total excluding salaries	FY 2008/9	12,501,285	35,208,105	47,709,390
+ Salaries	FY 2008/9	36,538,295		36,538,295
Total – Min of Agric (all districts that currently comprise Bungoma county)	FY 2008/9	49,039,580	35,208,105	84,247,685
+ Ministries of Livestock, Fisheries, Crops (assume (collectively) same as Agriculture)	FY 2008/9	49,039,580	35,208,105	84,247,685
Combined Ministries (Est)	**FY 2008/9**	**98,079,159**	70,416,210	168,495,369
* CPI				
Combined (inflated by CPI)	**FY 2008/9 (2014/15 equiv)**	156,926,654	112,665,936	269,592,590
* GoK				
Combined (inflated by GoK expenditure)	**FY 2008/9 (2014/15 equiv)**	**269,877,676**	193,759,442	463,637,118
Bungoma County Ministry of Agriculture, Livestock and Fisheries	**FY 2014/15**	**282,330,850**	397,687,772	680,018,623

Table 23. Bungoma Recurrent and Development Expenditure Adjustments
Source: World Bank (2018, 2002); Author's analysis

The results demonstrate growth rates annually throughout the period of analysis were high and comparable in both recurrent and development expenditure. Total county ministry budgets increased by 13.9 per cent on average annually (in spite of inflation) between FY 2008/9 and FY 2014/15. Moreover, we found that development and recurrent expenditure equally drove growth. Though it is notable development on average was the key driver. Anomalies in Uasin Gishu (1.9% growth rate) and Homa Bay (6% growth rate) significantly affected the overall outcome.[98] A factor that may have maintained high recurrent rates was the retention of national staff post-devolution. Moreover, the factor which expenditure increased was slightly higher in development, however as with the rates, this was comparable, with total factor growth at 2.2 (*table 24)*.

[98] See Annex II

Total Sample Change in Expenditure 2009 to 2015 (real values)	
GR, average annual, Recurrent	13.2
GR, average annual, Development	13.1
GR, average annual, Total	13.9
Total Sample Factor by which Expenditure increased between 2009 and 2015 (real values)	
Factor, Recurrent	2.1
Factor, Development	2.3
Factor, Total	2.2

Table 24. Factor Growth from Researched Counties Adjusted by Inflation
Source: (World Bank (2018, 2002); Author's analysis

From the comparative snapshot two critical findings were derived: There was an overall growth in the budget and expenditure within subnational units; and this change was driven primarily by development expenditure, where counties have the discretion to influence rents. This was unlike with the recurrent budget which saw more modest growth, partly due to the national restrictions that peg the recurrent budget share which was already bloated by previous national staff that were transferred to subnational units in 2013.

Uasin Gishu Development Expenditure

To further assess the nature of development expenditure Uasin Gishu was selected amongst the four counties visited. Uasin Gishu's expenditure continued to grow from FY 2013/14 till FY 2016/17. The type of programs that were being financed provided an indication of the types of programs and expenditure that was occurring.

Uasin Gishu's considerable growth in agricultural development expenditure, demonstrated in *figure 31* representing a 1716% increase from FY 2013/14 to FY 2016/17, was a key reason for the selection of the county in this sub-section analysis. In the 2013-2017 period, *table 25* below highlights how county government of Uasin Gishu set out its expenditure over the first 5 years of devolution (Uasin Gishu County Government, 2017). The patterns that emerge demonstrate that a significant portion of funding in development had gone to programs that provide for transfers, through cooperatives and/or farmer groups like *Inua Mama na Kuku (Feed the Mother and Chicken),*[99] or *Kijana na Acre* (The youth with land). Dairy farmers and 'Citizens' were also significant beneficiaries especially through development programs that focused on agricultural infrastructure like the construction of dips.

[99] "The aim of the project was to empower women financially and improve the nutritional needs of their families. In the period under review, the project was allocation a total of Ksh. 39,000,000. The money was used in procuring day old chicks, sensitization and training of beneficiary groups and for monitoring and evaluation. In its implementation, policy guidelines were developed to ensure smooth running of the project. A total of 218,000 day old chicks and 1150 bags of chick mash were distributed to over 1,474 women" (Uasin Gishu County Government, 2017)

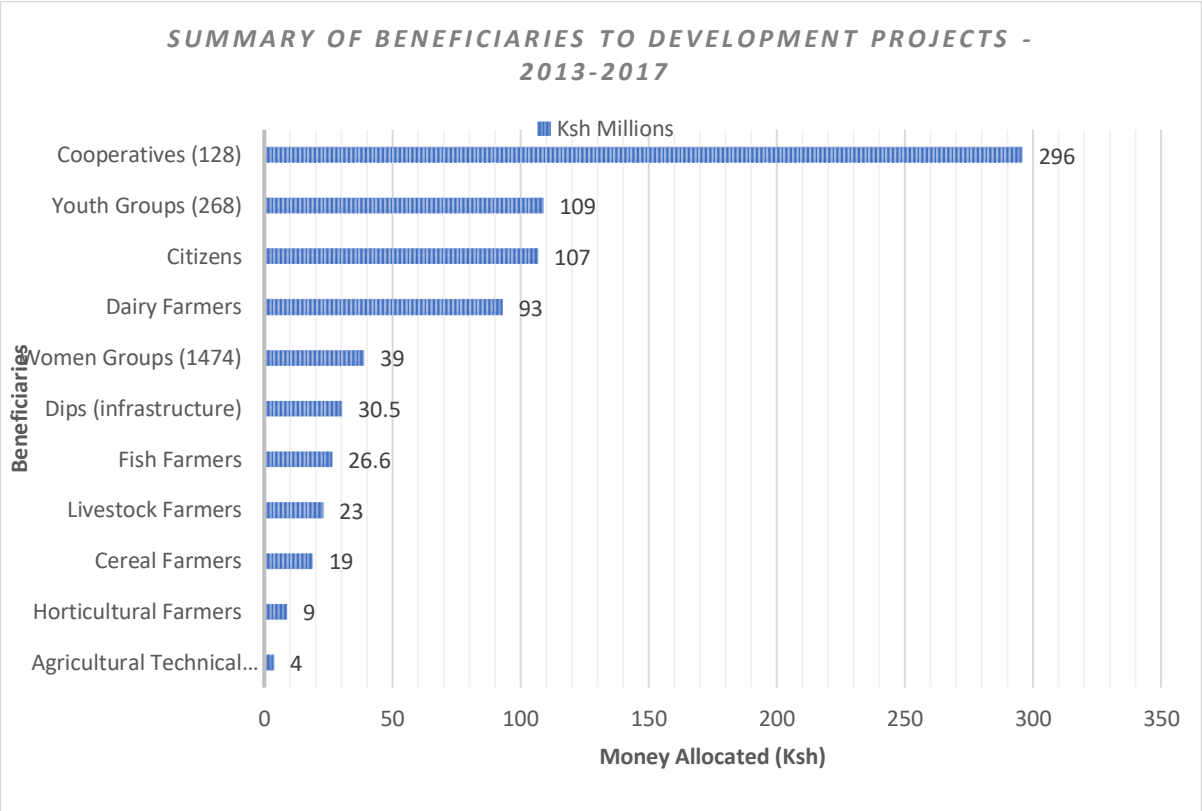

Table 25. Summary of Beneficiaries to Development Projects since 2013-2017
Source: Uasin Gishu County Government (2017); Author's analysis

Development programs predominantly had high capital outlays to groups with little in terms of operational support, confirming what numerous interviewees stated when referring to the steady decline of extension, "extension is dead…the ability to uptake new technology is not there anymore".[100] Hence, the previously mentioned programs set up to target women[101] and youth[102] were a key example in this regard. Both programs targeted disadvantaged[103] women and youth as the key demographic beneficiaries, respectively.

Inua Mama na Kuku was a poultry training program. The women were put into groups, trained in husbandry, provided inputs in the form of chicks and feed initially, which aimed to scale-up their production of poultry in the county and assist with their household incomes. One of the critical aspects of this program was it was a grant. *Kijana na Acre* was initially a loan given to youth groups. At its core it was meant to provide groups the opportunity to be trained in horticultural production. Greenhouses and inputs were provided to achieve this goal. After substantial pressure and a failure to make repayments the program like its predecessor, it was made into a grant. It is hard to grasp the results of these programs, in terms of total output, however they did manage to distribute

[100] 2B5
[101] 1474 Women groups.
[102] 268 Youth groups.
[103] Disadvantaged in this context refers to (though this is not exhaustive), physically and mentally handicapped, widows, and extremely poor individuals.

benefits to groups, with the observation about the recipients being the most pertinent aspect in this case.

Since 2013, the key beneficiaries of development projects were largely farmer cooperatives followed by youth groups and 'citizens'.[104] *Figure 34* below, goes another step to demonstrate the type of development programs that were occurring. Initially in 2013/14 services[105] and construction[106] were identical, however by 2017/18 construction had made up for the largest share over the period with grants growing steadily from 2014/15.

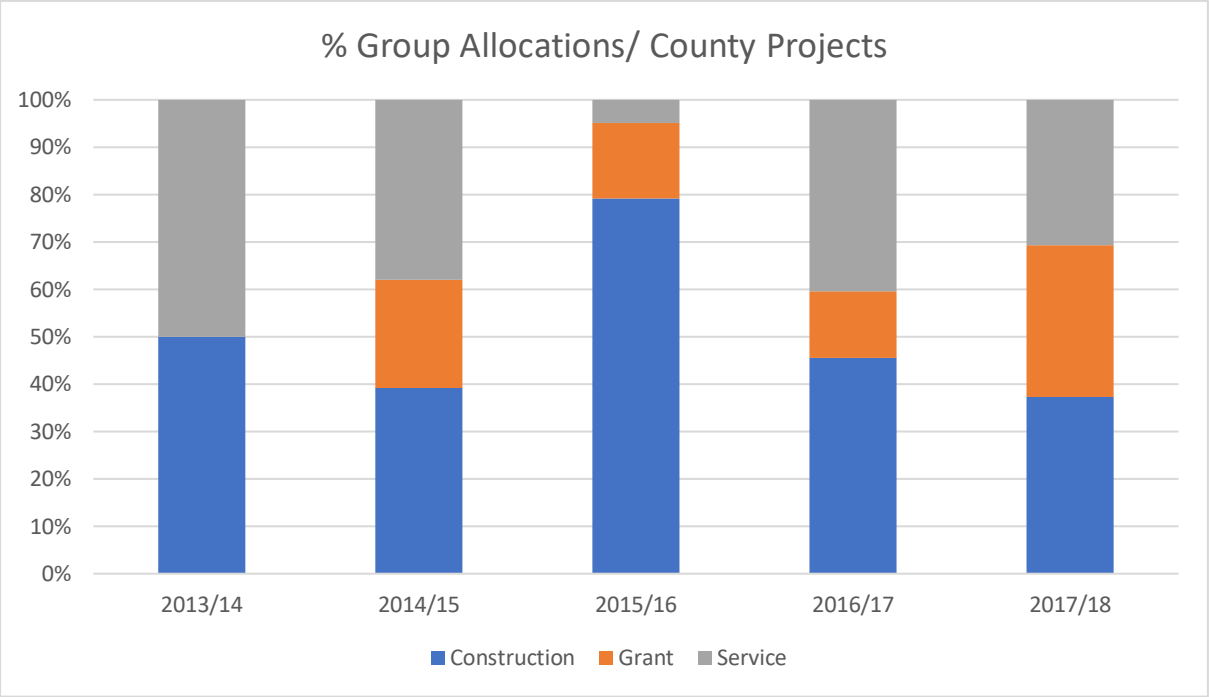

Figure 34. Types of allocation as a percentage of County Allocations
Source: Uasin Gishu County Government (2017); Author's analysis

When examining the expenditure in Uasin Gishu, it is notable that the spending witnessed above was representative of other counties, with the bulk of the budget being attributed to capital intensive developmental agricultural programs (World Bank, 2018). These programs by nature require large sums, involve an element of agricultural infrastructure development, with transfers typically going to the winners of the tender.

In Bungoma, it was the building of two coffee processing factories. In Uasin Gishu, it was with the building of milk cooler structures. In the space of four years an unspecified amount of milk cooler structures were put under construction with the National government providing the milk coolers once the structures were built, benefiting 46 famer cooperatives at the cost of Kenya shillings 288 million, amounting to 31.7% of total development expenditure between FY 2013/14

[104] This term was used ambiguously. The predominant activities involved the construction of slaughterhouses. The main allocation of Ksh 90 million was a grant was the purchase of machinery (Uasin Gishu County Government, 2017).
[105] See Annex – This refers to Soil Labs, Demo Plots, Agricultural Business Strategy etc.
[106] Construction: Milk coolers, Cattle Dips and Cereal stores featured most prominently. Services referred to soil labs, demo plots, disease control and the agricultural business strategy among other things; and grants involved the mentioned development programs *Inua Mama na Kuku and Kijana na Acre* being the largest beneficiaries.

to FY 2017/18, (Uasin Gishu County Government, 2017:13). Moreover, by FY 2017/18, three years after commencement, all the cooler *structures* were at different phases, with three phase electricity and water expected to be connected in 2018 (Uasin Gishu County Government, 2017:13-14). Notably, we found that construction of coolers was not concurrently reinforced by programs to increase milk production leaving a lot of the development underutilised. A sentiment that was captured by a respondent echoes this, "they [county governments] mainly focus on hardware rather than software e.g. coolers. People want to be seen to be doing. It's like you began with the end and forget the beginning".[107]

This form of expenditure provides mixed results in relation to the likely impact of decentralisation on service delivery. Highlighting that despite access to resources and the autonomy to utilise them, the prevalence of patron-client relationships had altered theoretical expectations regarding the benefits of public goods that are expected from a decentralisation process.

Organisational Capability

Organisational capability is a means in which to productively execute objectives, normally requiring elements of tacit knowledge and access to resources (Khan, 2011). Counties have different limitations. The technical departments, infrastructure, expertise, and specialisation that the national government can utilise, was not readily at their disposal to the same extent. Moreover, the economies of scale were heavily sided in favour of national government involvement in aspects of county agricultural affairs.

County governments lauded that they are the implementers of agricultural policy because agriculture is found in the counties. However, their terrestrial constraints and inability to shore up joint county efforts towards certain agricultural goals, left them largely as single units operating separately from one another. This is not to say that the CoG, and various other county groups are not effective, it was simply that they had yet to achieve the form of coordination that may dramatically offset their transaction costs.

AFA provided a clear example of counties inability to conduct all the tasks of a national government. At the inception of devolution, AFA was at the cross-roads, notably, the divide between responsibilities at the national and county levels. County governments wanted AFA devolved, to the point where a CoG respondent stated that, "even in 2017 county governments don't recognise AFA".[108] Institutions like the National Irrigation Board (NIB),[109] the NCPB, Kenya Plant Health Inspectorate Service (KEPHIS),[110] and AFA were all deemed to infringe on counties sovereignty in agriculture.

Initially counties sought ways to take over national duties. Research revealed that counties aimed to acquire national assets that generated rents. This was best demonstrated with Agricultural Training Centres (ATCs), which counties argued were part of the extension provision which is

[107] 38U6
[108] ISS41
[109] National Irrigation Board (NIB) was established and incorporated in 1966 as a state corporation through the Irrigation Act CAP 347 of the Laws of Kenya. It provides for development, control and improvement of irrigation schemes.
[110] Kenya Plant Health Inspectorate Service (KEPHIS) is the government parastatal whose responsibility is to assure the quality of agricultural inputs and produce to prevent adverse impact on the economy, the environment and human health.

within their constitutional ambit. Eventually, ATCs were successfully transferred to the counties to continue training farmers and funding operations. What had been an institution with funding, resources, and delivering training, became dysfunctional in less than 3 years, "the ATCs are working, though there is no more training".[111] Previously, there had been national and donor support, though after the ATCs were shifted to the counties, this funding channel subsided due to graft.

The capture of previous national institutions that were generating rents, arguably with the intention to extract the same diminished the productivity of agricultural institutions. AFA like the ATCs has functions that require the collection of various rents. Initially, counties taking the forceful agricultural ownerships stance wanted AFA to cede some of these functions to them.[112] Notably, the ability to licence. AFA as a regulator licences' exporters to ensure they maintain various international market standards. It conducts registration, traceability *inter alia*. Though "counties don't want oversight by national institutions, they want to be autonomous".[113] Statements like "…the farmers belong to the county",[114] captured the sentiment around county entitlement to *their* farming communities. It is within this context that county governments attempted to take over licencing from AFA.

However, in this case the alignment of the local capitalists and bureaucrats saw off their sally, and it was telling why. The key reason was captured by an AFA agent in Nyeri, "we had an issue with licencing of horticultural crop nurseries. AFA surrendered the responsibility of licencing to the counties. However, the counties were unable to put into effect the regulations and structures to licence effectively".[115] Measures like simply witnessing a contract between a farmer and exporter, that are legally required, were unfulfilled making such contracts voidable.[116] Failures by counties to attain these minimum legal requirements demonstrated their lack of institutional capabilities in relation to some of the duties that national institutions undertake.

Moreover, in Uasin Gishu, the same matter was supported with an observation that, "initially the domestication of policies led to a slow uptake by counties, especially around licencing, which does not bring in money. Counties saw licencing as a means to raise funds…with proposals of raising the current [licencing fee] from [Ksh] 500 to 50,000 (a CoG recommendation) …this however did not pass…with such low [rents], and the inability to increase the fees (opposed by producers), county assemblies lost interest. This was also compounded by the counties lack of capacity to handle the licencing process".[117] Furthermore, exporters did not want an increase in levies and fees, "they preferred the old system prior to devolution".[118] The fear of fee and rate increases based on unproductive accumulation compounded with counties failure to demonstrate a uniform ability to take over the tasks of institutions like AFA, reversed their offensive on national institutions which were begrudgingly recognised as partners in some instances.

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[111] 33U3
[112] ISS61
[113] ISS61
[114] 5B2
[115] 15N5
[116] 15N5
[117] 24U5
[118] 15N5

A majority of the resources required in effective agricultural support do not require heavy investment in the form of large capital outlays. Productivity and the rate of growth largely depend on the policy framework (Foster et al., 2001; Mundlak, 1992) . It has been demonstrated that 'soft' support especially in relation to extension provisions, and access to markets can have a greater impact on long term productivity, more so than capital into fertiliser programs for instance (Owuor, 2015). However, the provision of an *ex-ante* rents to secure future benefits would also require that local county governments have strategies that may exceed their tenures, requiring compulsions around implementation, while having the ability to enforce the strategy, and withdraw benefits to non-performing entities (Whitfield et al., 2015).

As mentioned, subnational units are unlikely to be endowed with the same technical human resources as the national government. To increase organisational capability, the hiring of staff may have been considered a means of addressing the shortfall, though this was found largely not to be the case due to budget constraints. County governments shouldering high recurrent costs had claimed that in order to trim staff numbers, they had placed a mortarium on the hiring of new staff. At least that was the position adopted by senior county staff, "[we have] aging staff that are badly outnumbered at about 1:2,000 farmers with no replacements in sight due to the high recurrent costs at present".[119]

Regulation 25.1(b) of the Public Finance Management (County Governments) Regulations, 2015, sets a limit of the county government's expenditure on wages and benefits at 35 per cent of the total revenue. The key issue here is the types of hiring for increased capacity that has occurred. In agriculture, across all the researched counties, there was no significant hiring of extension staff. Dwindling extension was arguably already the common narrative, however decentralisation had not been able to ameliorate the situation, "the failure to hire new technical personnel since 2013 has diminished extension capacity".[120] One of the reasons recognised for the failure to hire new extension staff was in relation to the emphasis on development over operational expenditure, "leaders want things that are 'tangible' and agriculture has fallen victim…essentially, hardware over software".[121]

The normative appreciation that extension support in agriculture is likely to be more beneficial than other forms of support had not been adopted by county governments. There is unfortunately no comprehensive baseline dataset dedicated to impact, perception, and assessment of extension services historically in Kenya, however, the interviews and secondary data support the view that extension services in Kenya, depending on commodity, still required significant reform and operational investment prior to devolution.

2013 seemingly did not capture the potential of the moment to reform the agricultural sector. Extension services were explicitly devolved to the counties, leading to a new dispensation and priorities set out by county governments, which were further away in relation to the support of the sector than the national government had been, "in 2013 the level of agricultural service delivery

[119] 19N2
[120] 3B3
[121] 11K2

was broken. From accessing funds, to information flow. This was compounded by the politicisation of the agricultural process,"[122] stated a CDA in Bungoma. In all the interviews at every level it was noted that there was understaffing in the extension service with ratios of 1:4000 per extension officer to farmer in Nyeri,[123] 1:8000 in Bungoma,[124] 1:1833 in Uasin Gishu,[125] and 1:3000 in Kiambu.[126] A Kiambu CDA coined the situation stating, "extension staff are too few over the wards, they are demotivated, they have very few resources and currently there are no structured methods of extension provided by the governments".[127] Arguably, extension had been struggling prior, however, 2013 seemingly exacerbated the situation rather than address it (Muyanga and Jayne, 2006).

Recurrent expenditure in Bungoma, Kiambu, Nyeri, and Uasin Gishu from FY 2013/14 to FY 2016/17 rose by 128%, 92%, 107% and 82% respectively.[128]However, despite these critical increases in outlays, the top-down centralisation of counties seemingly has affected the manner of job categories that get prioritised. On the one hand, it demonstrates that the national government has given counties the latitude to handle their own affairs, on the other, the reality that decentralisation largely did not translate itself into better service delivery. Arguably, the limited extension of the past has been perpetuated post-2013, which is explored in Chapter VI. It was noted that "between professionals, the [county] executive and technical staff there is a conflict…we hardly get any resources for extension".[129] This approach to extension highlights that capacity at counties is limited by local political considerations and resource availability, which challenges normative expectations, that decentralisation is likely to lead to better service provisions.

Conclusion

The findings in this chapter provide an insight into the intermediate objectives and overall state of the decentralisation process that Kenya has undergone, particularly in the agricultural sector. From the intermediate objectives a deeper understanding of the nature of Kenyan decentralisation, particularly in relation to agriculture is garnered. Despite the counties being selected for their differences, in relation to key commodities and political affiliation, what was telling is the similarities in relation to the experience of decentralisation, and its effect on agriculture.

The centralisation of power at county-level was found to inherently provide governors with an enviable position that national actors sought to curtail. Truly the 'winners' of the decentralisation process, it was found that governors have become the main protagonists in the defence of devolution.

Evidence highlighted that fiscal decentralisation had occurred substantively, providing counties with capacity to adequately operate, however that had not translated itself into better service

[122] 5B2
[123] 16N1
[124] 4B3
[125] 33U3
[126] 13K3
[127] 10K2
[128] Kenyan Agricultural Budgets 2013-2018 adapted from the 2013-2018 World Bank Boost database.
[129] 11K2

delivery. Decentralisation had provided a net increase to resource availability at the subnational level post-2013. Enhanced resource availability in all the counties had witnessed increased development spending with an emphasis on capital-intensive projects. In relation to agriculture, this form of development spending favoured programs such as milk coolers, cattle dips, youth, and women programs which provided mixed results at best. Across the counties researched, extension and facilitation expenditure had contracted, debatably, undercutting facilitation services that provide public goods.

One of the most dynamic findings highlighted that decentralisation had altered power within subnational units, which had resulted in a centralisation of power at the subnational level around the governor. This enhanced power of the executive was also witnessed within county legislatures, which were found to have overstepped their mandates. Furthermore, the ability to distribute rents at subnational level was found to be highly politicised, creating an environment where rent outcomes primarily benefited local elites and their intermediate groups. This inadvertently altered the theoretical expected outcomes regarding the benefits of decentralisation.

Results also revealed that there was a lack of representative public participation. The top-down nature of the county agricultural departments, and the overall impression that was made, is one in which Kenyan smallholder farmers, who are the majority, have largely not benefited from the 2013 decentralisation process. Arguably, the winners of the decentralisation process have been the 'connected' intermediate classes who arguably dominate power at county-level with infrastructure development, transfer-rents and development programs arguably catering to their interests.

The top-down approach had also led to a dislocation between technical and political staff in the agricultural sector. It was demonstrated that since 2013, technical officers from CDA and below participate less in policy direction, with political actors presenting them with their own vision of agricultural engagement. This lack of technical emphasis, centralisation of resources, and a notable reduction in operation and facilitation of previous service-related functions, arguably negatively affected agricultural outcomes.

The examination of autonomy, accountability and capacity revealed that the Kenyan decentralisation process largely did not conform to normative intermediate objective outcomes. Over the course of the chapter it was demonstrated that power between groups and patron client relationships had a significant effect on decentralisation outcomes. Rent-seeking in Kenya underwent a change, primarily there was a shift from the center to the counties. The centralisation of the county, its new political top-down power structure, enhanced these patron-client networks which had generally not provided growth enhancing outcomes in the agricultural sector.

CHAPTER VI

Decentralisation and Service Delivery in a Competitive Clientelist System: Outcomes

Introduction

Farmers are critical to the understanding of the impact of decentralisation in the agricultural sector. It was important to ensure, that farmers, the beneficiaries and focus of the research were also represented in the data in order to capture a holistic appreciation of the state of agriculture. The analysis examines both county government and farmers focus group perspectives. This approach provided an opportunity to explore agricultural service delivery from a service provider and beneficiary perspective. The results investigated whether Kenya had undergone a transformation in relation to service delivery, the reason and effects of increased development expenditure, the effect of public participation, the state of extension and facilitation, and whether decentralisation was considered to have engendered positive change. This chapter explores the reasons and implications of these findings.

Chapter VI is an examination of the expected outcomes of decentralisation. As with the previous chapter, decentralisation literature is placed against the findings of the data collection conducted in the researched counties. The intermediate objectives that were examined in the last chapter acted as the first, of a two-part analysis of decentralisation in the Kenyan agricultural sector. This chapter sought to complete the second half of the analysis, by highlighting some of the key expected outcomes of this process (Dickovick and Riedl, 2010). The approach uses a framework that focuses primarily on development, service delivery, and democracy. These sections represent two (2) key normative expected outcomes in relation to decentralisation. It is notable that stability is also considered to be a key outcome, however, due to the subject matter and research focus, this area was not explored in great depth as it was considered to be a matter confined to the national stage. The overall analysis provided an overarching perspective on the state of devolution and perspectives of the agricultural sector.

Phase III County Selection

Phase III was designed to reach the beneficiaries of agricultural support systems, the farmers. Service delivery and the normative expectations that are attributed with decentralisation were examined in focus groups in Bungoma and Nyeri. Moreover, this exercise aimed at enhancing the focus of research in these counties, while building upon the findings and relationships that were made earlier in phase I and II. Unfortunately, the reduction of counties created a smaller sample, however, this did not limit the depth of analysis with the resources available.

Moreover, previous scouting in phase I & II provided the opportunity to ensure that the counties with the most accessible and relevant potential focus groups were the ones that were examined. This approach created latitude with local contacts while also ensuring that the two counties that

were being researched stood the best chance at providing the information that was required to address the research questions. Nyeri and Bungoma were also selected for their political differences. Where Nyeri is a GEMA stronghold, Bungoma is traditionally a swing county that at the time of research was aligned to the opposition. It was one of the aims of the research to observe whether political leanings of a county created any glaring differences in administrative support. Moreover, the commodities that are grown in these two counties have a sharp contrasting history. The story of Nyeri tea as opposed to Bungoma sugar in the context of a focus group was considered to provide the opportunity to explore diverse farmers experiences.

Size of Focus Groups

The size of a focus group is critical. Too small and you lose out on the group dynamic and interaction that makes this methodology rich. Too large and voices in the group can be diluted[1] (Morgan, 1997). Some participants don't engage as much due to the perceived safety in numbers and/or the feeling that someone else will simply answer the question for them, arguably due to the perceived reduction in attention from the convener than, in a smaller group. Phase III required that 12 groups be raised in each county, with 24 focus groups being the target. In both counties, due to unforeseen logistical issues one (1) focus group was unable to participate, bringing the aggregate total to 22 groups. However, the total number of groups provided a clear picture into the relationship farmers have with the state, and their experiences in agriculture. In both counties, farmers from varying sub-counties and wards were selected with the aim of ensuring that the information gathered was from a diverse and representative sample group. The total number of groups in this case did not create complexities that were unintended. As the groups provided varying quality of information in different areas of the research.

The ideal size of a group was five (5) to six (6) participants. However, in most cases this was exceeded with a mean of eight (8) participants per group in both counties. In both counties the fear of absenteeism was offset by the number of participants. Groups with higher participation (more than (9)) were markedly less participatory. This excess was the key limitation of the focus group research. Despite direct instruction to local mobilisers on the ideal size of groups, it was the local group leaders that had the final decision on the participants that they were inviting to their house, farm or local meeting area. Despite this however, all efforts were taken to include most of the participants with some questions requiring full group participation.

Selection of Participants

Interlaced with the recruitment and size of the groups was the undercurrent in relation to the type of participant that would provide the most accurate and balanced data in relation to the research questions. In both counties the primary commodity in production and farmers involved in its production in the past or present was crucial. In Nyeri, tea farmers make for the majority of the groups, whereas in Bungoma, sugar farmers were highly prevalent. Though this is not to say that these farmers monocrop or don't have alternative off-farm incomes. In all the groups and throughout the research, one of the keepsakes that arose is that farmers don't do just one thing,

[1] Too many or too few will be a waste of time. Also, one of the core issues with focus groups is the issue of absenteeism (hence a bit over-recruiting may be a prudent strategy). Smaller groups historically provide better quality data. Morgan (1997) suggest smaller groups are expected to say a lot on the research topic. Also, when topics are controversial or complex and when gleaning personal accounts is a major goal.

and usually on a farm there are a variety of crops. Therefore, despite the preference in picking farmers who work with a key commodity, it was also acknowledged that farmers are diverse and dynamic in their engagement of the market.

Due to the number of participants and means of organisation in the rural areas that were visited, in most groups there was a familiarity within the group. Rarely, were the participants complete strangers. This may be considered a weakness due to the nature and politics of a pre-existing group dynamics playing a role in the study, however, in some cases the pre-existing relationships assisted in group engagement.[2] Adding to this, the previous pre-existing groups were not considered to be sufficiently formal groups[3] that could jeopardise the exercise. Therefore, this seeming limitation was considered beneficial.

In relation to other personal factors, most of the groups had a gender balance, with some being led by women, though most were led by men. It was notable that on some occasions when there was a majority of men, the women in the groups were not as vocal as in other groups with parity or a female majority. This was navigated by constant reminders to the participants that all their opinions were valued.

In relation to ethnicity, it was largely determined by the county the focus group was taken in. In both Bungoma and Nyeri, the groups were mainly peoples from the Luhyia and Agĩkũyũ communities respectively. The average age of the farmers was above 45 years, with some younger participants, however, older farmers were the majority. Finally, the type of farmer in the focus groups was similar in both counties. Mostly smallholders. The level of poverty and affluence were similar, however, Nyeri certainly had farmers with higher household incomes. The farms sizes in Bungoma were generally larger due to the variance in land pricing and allocation, however, due to the failure of sugar and multiple subdivisions, farmers in Bungoma did not necessarily gain a comparative advantage beyond their Nyeri counterparts.

The outcomes of decentralisation

The intermediate outcomes that were covered in Chapter V provided a critical analysis of decentralisation, placing expected normative intermediate objectives against the reality of the Kenyan political settlement. In this next section, the chapter expands on the previous analysis by providing complimentary data, which seeks observe the impact of decentralisation outcomes since 2013, particularly in relation to the agricultural sector. The insights in this chapter provide a platform to assist in understanding the development of decentralisation and agricultural service delivery in Kenya.

On Democracy

Democracy is considered to be one of the positive outcomes of a decentralisation process. The rationale is based on the theoretical expectations that decentralisation, being closer to the people

[2] The arguments around this matter are inconclusive, as both sides of the aisle claim that there are benefits from either what is referred to a 'pre-existing group' or perfect strangers. At this stage the participants will be randomly picked with a preference on anonymity of the participants to one another. However, if there are previously existing relationships the moderator will note and observe what sort of information is derived from the modified set-up.

[3] Most of the groups were made up of pre-existing farmer groups that gathered for trainings or to receive benefits from the state of One Acre Fund.

will also foster an environment where participation is enhanced, information disseminated, and a more equitable distribution of state resources (Rodriguez-Pose and Ezcurra, 2010). Regarding voting at the county level, there certainly was demonstrable evidence that devolution had enhanced local electoral accountability (Parker, 1995). Moreover, it is a normative expectation that overall public participation and civil society involvement will lead to a more responsive approach to local needs, which will likely ensure that rents are distributed more equitably among constituents (Misra, 2008). The results of the fieldwork demonstrated that despite these elements existing to some extent, the outcome was markedly tilted towards literature that recognises how the prevalence of elite interests locally are likely to capture a significant portion of rents, while dominating the local political narrative (Bardhan et al., 2009).

Public Participation

County officers on public participation

The importance of public participation should not be understated, especially in the context of Kenyan devolution, whereby various formal instruments have highlighted the pivotal nature of the practice towards achieving the orthodox goals of decentralisation. Public participation theoretically, provides an opportunity for subnational units to engage their electorate (Faguet, 2014). From this public forum it is expected that the government will be better informed at making decisions in relation to programs that the public would be seeking (Faguet and Sánchez, 2014). As discussed in Chapter III, the issue is not whether the public participation occurs, the issue is who are considered to be 'the public'.

In all four (4) counties, when this question was addressed to county staff, it was revealed that public participation was largely limited, and regularly only involved specifically invited individuals and/or groups. Invitations seem to be based on known individuals, and 'stakeholders' of various sub-sectors of the local economy, reflecting the prevalence of informal local intermediate classes patron-client networks.

Public participation forums are legally meant to be led by a technical chair that oversees the business of such a meeting. However, it was found that the *de facto* chair was usually an MCA, a finding that was corroborated by 4 of 5 interviewees, which included a CO. MCAs despite not being the legal chair, and/or being permitted to implement policy, it was observed that they frequently influenced resource allocation, meeting participation, and rent transfers. Moreover, the format of such meetings limited the number of participants who could contribute, additionally the time available for contribution was technically inviable for any meaningful contribution which reduced the possibility of producing relevant inputs to influence local planning. The 'capture' of public participation forums was only disputed by one interviewee, the MCA, "you cannot introduce anything without public participation…everyone is so happy"[4].

Focus groups on public participation

Focus group experiences provided further depth in terms of results around public participation. This question revealed the differences and correlations between what was observed at the county

[4] 27U7

staff level, as opposed to the actual intended beneficiaries' experiences. What was critical about this question and findings was the analysis of the constitutional importance of public participation from a planning perspective, particularly in relation to budget creation for approved programs. Public participation is a means in which, arguably, rents are distributed formally after citizen engagement and consensus, which would assist in explaining the emphasis on development spending. As this is a potential conduit for transfers, it was likely that rent seeking would occur around such an exercise.

Q: Which public participation exercises are you aware of?

In Bungoma, the dominant answer to this question was that there were no public participation exercises of note, "no one is helping"[5]. This escalated, to the misconception that barazas and field days were acts of public participation, "baraazas…we hear about things from the chief's office, however that is about it…".[6] Some groups noted that there were changes in participation over time, "they come when you call them, however, there have been fewer. There used to be more participation, however now we haven't had a meeting in a long while"[7]. This participation was organised by ward administrators and chiefs[8], though at best participation was "random", [9] and targeted at local clients, "when they come they can even bypass the people…the only people who will meet are the people who are in the know".[10]

In Nyeri, more groups (3 of 11)[11] were aware of public participation which were organised by the chief and local administrators, [12] "when it comes to public participation, we have been part of it…We have participated in the Farmers Field School". [13]Similarly, to Bungoma most had not heard of any specific form of public participation, "public participation has not happened. We have not been called".[14] The groups that had heard referred to rallies and/or meetings organised by a Chief or public body like the Kenya Tea Development Agency (KTDA). The dissemination of information on meetings was more prevalent in groups in Nyeri, however issues were raised regarding actual participation, "there have been meetings though it is not clear how they come together...they don't call everyone. They are selected".[15]

Overall, the groups and members that attended public participation meetings were a small minority, "the public participation is not widespread. Not all the farmers know, though we may know cause of our position".[16] "We also here about projects, things like Upper Tana, we don't know how it was allocated, though we have not benefited…We don't know why some people benefit and others do not…this is in also in relation to education e.g. Education Bursaries". [17] A

[5] B.1.1
[6] B.1.8
[7] B.1.10
[8] B.1.1
[9] B.1.10
[10] B.1.5
[11] Annex V, table 26
[12] N.2.5
[13] N.2.4
[14] N.2.1
[15] N.2.6
[16] N.2.11
[17] N.2.2

majority of groups were unaware of the criteria used to select beneficiaries of programs and/or where to obtain information about meetings.

The significance of the responses around public participation at the focus group level was explored beyond the initial question with further responses on the state of public participation being captured below. The aim of these questions was to expand the analysis on the reality of public participation, and the extent that it is practiced.

Q: Have you attended any meeting involving agricultural issues?[18]

In Bungoma, only a minority of participants had attended a public participatory forum involving agricultural issues, "we have met the chief on several occasions. We have contributed at those public participation events, but they just shelve it. They take your name, and all that, then you go home but nothing happens".[19] Though the impact of their participation was questioned, it was acknowledged that focus groups were aware of the existence of the forums, however, what was critical is, in all but one of the cases,[20] the people who attended meetings were invited by the local county officials. A participant from one of the groups summed it up best by stating, "till today, even if I want to, I don't know where to start…we want to change the level of our engagement, however that has not changed. When you hear about it, all you hear is that everyone is called to contribute from different areas. The [participants] are picked".[21]

Whereas, in Nyeri, there was higher attendance[22] to meetings that addressed agricultural issues, "we were talking of the mitigation of the fall army worm." Overall, the trend that was evident was 15 of 22 groups had not attended any form of public participation as opposed to 6 of 22[23] that had, "we don't even know who the ward representative… he came in 2016, though that was it. We have not seen him since".[24] This reinforced the notion that public participation at the county level is not widely penetrative and/or the individuals that do attend, are known, and invited. Which arguably reinforced the argument that public participation had been captured and was being utilised as a tool for rent-seeking by local officials, as stated by one focus group member,

> "we were invited…mainly by the MCA. As a group we have been invited, [though] also individually".[25]

This approach to public participation did not promote the democratic outcomes that a normative understanding of decentralisation would envisage. Instead, it highlights the potential role of intermediate groups and elite interests to capture various local administrative institutions, which is in part a demonstration of the perpetuation of the power between organisations at county level (Conyers, 2007; Jütting, 2005). What was partially revealed, was that smallholder farmers were not a significant active stakeholder in relation to the public participation that was ongoing.

[18] Matters in relation to agriculture, from inputs, programs, rural roads, irrigation *inter alia.*
[19] B.1.7
[20] Annex V, table 27
[21] B.1.2
[22] Annex V, table 27
[23] Annex V, table 27
[24] N.2.1
[25] N.2.8

Q: Have you spoken in a public participation forum?

This question provided the participants in the focus group with the opportunity to delve deeper into their experience of public participation. This question acted as one of the measures in relation to the quality of public participation during attendance. In Bungoma, due to the low attendance this question got very little attention, with a majority that had attended stating, that they had not spoken at a public forum. This also attributed to the structure of participation that was permitted, "we are put in groups, we choose the chair, and the secretary and chair speak to the forum and the forms are collected".[26] There were further inferences that "that farmers normally only go to the chief's office. This is where they find out if they are getting inputs".[27] However, despite the participation a majority claimed, "we make our contributions…though after we never see the budget".[28]

Nyeri, presented similar results, as most groups had not spoken at meetings.[29]. However, the ones that had claimed delivery, "from my contribution I got fruit trees this time".[30] This however was a marginal experience. As with Bungoma the direct interaction in meetings was limited.

Q: Do you believe yours and other farmers contributions were considered in the final plan/budget?

This question was important, for it set out to explore whether there was a correlation with public participation and eventual policy output. The whole purpose of the process was to establish a mechanism where citizens of a county have an opportunity to shape their means of development. However, this like the previous sections revealed that, despite participation, final inclusion of ideas, and priorities, most groups perceived that their contributions were not considered.

In Bungoma, there was an overall impression that a disconnection exists between, what is stated at a public forum, and what is implemented, from more moderate "our proposals are not always considered. Our reactions are never captured",[31] to ""we aren't included in the budget. We don't know the county government".[32] In most cases, farmers did not feel like their contributions/aspirations were considered. They claimed that they only ever heard about it "on the radio,"[33] and it usually did not include their interests, "they only help local leaders. We don't know where the money goes and who is benefiting".[34]

In Nyeri, only one (1) group was moderately positive about their contributions bearing fruit.[35] Other groups who had attended were not as optimistic about the process due to the failure of positive outcomes in and around their requests previously, and the nature of agricultural development that was being witnessed in the county. There are certainly backward linkages to the early discussion which refers to the county development programs in Chapter V. Essentially, the services and development that were occurring from the evidence provided, demonstrated that

[26] B.1.1
[27] B.1.8
[28] B.1.7
[29] Annex V, table 28
[30] N.2.8
[31] B.1.1
[32] B.1.10
[33] B.1.6
[34] B.1.11
[35] Annex V, table 29

there was a break in the chain between what was desired locally by farmers, and what was provided. Overall, due to the few numbers of participants that attended planning meetings, most groups by default stated that the exercise did not facilitate their considerations.

Q: Do you believe these exercises are an effective way of gathering the priority needs of average farmers?

This question was slightly limited in its ability to engage the participants, as most groups that had not participated were unable to engage in the subject matter. However, the groups that did engage highlighted that the participation that exists was not an effective way of enhancing service delivery, "If you go looking for fertiliser, they will not help. You just speak and no one helps. Ni Kama wimbo (It's like a song). They don't help".[36] The democratic principles which are attributed to the theoretical benefits of decentralisation were arguably short circuited by the patron-client relationships, with farmers stating that "we do not benefit".[37] Therefore, despite having formal institutions that promote participation, it was informal institutions, and arguably elite interests, that seemed to prevail.

In Bungoma, all but one of the groups[38] stated that the participation framework that was in place did not adequately deal with their needs.[39]There was a recognised issue of hierarchy, with local elites seeming to benefit more from the process more than ordinary farmers, "the leadership is corrupt. They can even tell you to shut up if you don't have standing".[40] Moreover, the means in which groups were selected was deemed to limit the overall breadth of participation. Finally, the limited monitoring and evaluation of candidate selection was perceived to largely permit local elites to dictate how the budgeting and development priorities of the counties were tabulated.

Nyeri presented identical results, with on 1 of 11 groups claiming, that grouping of farmers had enhanced their impact and ability to engage, "it is very important… but those that don't join groups don't do as well as those that are in one".[41] It is notable that this group was a group where the researcher was accompanied by a government WEAO.

Themes from county interviews on public participation

The themes found in public participation arguably have feedback loops to matters in relation to the sorts of development and service delivery that has been offered since 2013. Overall, what was observed was the failure of public participation in providing the 'general' public with an opportunity to contribute to the development of the county priorities, with the process been seemingly captured by local elites.

[36] B.1.7
[37] B.1.8
[38] B.1.10
[39] Annex V, table 30
[40] B.1.7
[41] N.2.8

On development and service delivery

A few of the positive outcomes attributed to the motivation to decentralise are: an assumption that decentralisation will provide citizens with the opportunity to make demands for public goods and services more precisely (Faguet, 2014); sub-national units will compete for resources and enhance the investment climate; lower transaction costs; reduced information costs (Alderman, 2002); and with no evidence of catastrophic declines in service provision or economic performance from deconcentration or even fiscal devolution, there are tangible merits to pursue the process. In converse: there is also little evidence that decentralisation advances or hinders economic growth; it is not clear whether local governments are better at extracting information locally or are motivated to do so; and in some cases, fiscal coordination across levels of government can create inefficiencies. It is these opposing arguments that make the field of decentralisation research, especially in the context of developing economies, an area in which there is still a significant amount of research to be conducted in order to enhance policy strategies.

In the context of the research conducted, the aim was to draw narratives from the national, county, and farmer perspectives. All strata had a different opinion on the effects of decentralisation, and effect of devolution in agriculture, however, what is clear is that the process had changed the previous dispensation that Kenya had enjoyed. This sub-section explores the results from the evidence gathered on service delivery in order to interrogate Kenyan decentralisation further.

Service Delivery

One of the key proponents in the sponsorship of decentralisation as a framework, is the proposition that service delivery will improve due to the proximity of government which enhances its ability to address the issues that are a concern to communities (Crook, 2003). In this sub-section, service delivery especially in relation to agriculture was the key focus. It is notable that the trends found here were not identical to other sectors, for example, transport infrastructure was considered to have improved in all four (4) counties investigated. The results from the four counties visited revealed that the assumption around improved service delivery as a result of decentralisation was not the case across all sectors.

Most of the interviewees stated that there had been a decline in service delivery: 5 of 14 were SCAOs and WEAOs; 2 of 14 were from ASDSP & AFA; and 1 of 14 was a senior County Officer. All these officers (8 of 14) at county level believed that there had been a decline in service delivery:

> "Extension is dead. Extension died with devolution. The money that was required for facilitation was not provided. Simply there are no resources to implement. The anticipation of service delivery was not realised".[42]

This covers almost every major technical grouping of staff. However, it is noteworthy that the largest group are also arguably the 'losers' of the devolution process.

The loss refers to SCAOs and technical officers below CDAs, who as a group had their duties and autonomy seemingly scaled back. Though this is not to say that their evidence carries less weight, on the contrary, it is to establish that there may exist elements of bias, though the counter argument to this is the amount of SCAOs and WEAOs that had a similar outlook, an example of their sentiment stated, "we've been working but not like before. Prior there was facilitation, petrol,

[42] 2B5

stationary etc. Presently, inputs are available though there's no funding for facilitation".[43] Moreover, as the key technical branch involved with implementing county and national programs, their position carries a vantage that is undeniably integral to an understanding of the operation of the sector at sub-county and ward levels especially in relation to service delivery.

A contrary view of service delivery was held by 3 of 14 interviewees, captured by two (2) Senior county staff and an NCPB agent. In this analysis of results, another key consideration to the weight of evidence is, 'who said what?' The amount of people who share a common view is still deemed critical, however by considering the individual dynamics, the research was able to capture the different group experiences of the impact of devolution (*table 31)*. Trends among senior staff mainly claiming improvements was in direct contradiction with their lower-level counterparts, which further highlighted the dynamics of county operation along the vertical county power structures. However, across groups there were interviewees that in some cases provided a balanced account, acknowledging both the strengths and weaknesses of decentralisation as demonstrated below in *table 31*.

County	On Service Delivery	Key Results[44]
Bungoma	Improved (1) Declined (4)	▪ The technical pre-eminence of the agricultural sector has been overtaken by political considerations ▪ Ineffective policies by county government in agriculture
Kiambu	Mixed (2) Declined (1)	▪ Barazas and field days offer the best opportunity for training. ▪ Despite initiatives, like prizes in the coffee sector, there hasn't been enough to turn
Nyeri	Mixed (3) Declined (3)	▪ Extension is inadequate ▪ Extension is now more demand driven
Uasin Gishu	Improved (2) Mixed (2) Declined (4)	▪ No facilitation of extension ▪ No improvement in service delivery ▪ Restricted movement of extension officers ▪ Better service delivery, increased resources and training since 2013
Overall Trend	Improved: (3)	▪ (1) CO; (1) NCPB Officer; & (1) CDA.
	Declined: (12)	▪ (1) CO; (4) SCAOs; (2) WEAOs; (3) AFA Officers; (1) CDA; & (1) County Horticultural Officer.
	Mixed (7)	▪ (2) SCAO; (1) WEAO; (1) CDA; (1) Crops Officer; (1) NGO; (1) MCA.
Total		22 Participants

Table 26. Results on Service Delivery Perception in four (4) Counties
Source: Author

[43] 4B3
[44] This considers the core themes that were mentioned by individuals in a county. The aggregate was a statement that was generally shared by more than one individual.

Focus Groups on Service Delivery

Focus group experience was examined exclusively from the county individual interviews due to the different methodology which was utilised to gather the information. Farmers are invariably the prime beneficiaries, and their experience of service delivery was critical to understanding the outcomes of the decentralisation process. The presentation of their answers followed a pattern, where the question that was asked is presented as the anchor for a section, followed by an analysis of the answer, and finally the similarities between county staff and farmers are considered.

Q: Which agricultural public services do you receive (from local and national government)?

In Bungoma, fertiliser and maize seeds were broadly the main agricultural service offered by the county government. Though it was debatable whether this support was derived from county initiative or national government programs. The understanding garnered was that the inputs were provided by the NCPB, however, as mentioned, county governments were responsible for its distribution. The quality of fertiliser was particularly noted as being undesirable, "the problem is that the fertiliser can be expired…after the rains you don't get any maize… All the time the inputs come late, so even if they give it to you, then there is still the issue of when they do it".[45] Therefore, even though the subsidy regime existed[46] the quality and programming were inadequate:

> "The fertiliser that you get is fake. When you see someone, who gets it in the private market you can see big difference…Even the seed and fertiliser that we get are not the right ones for the area. We have even informed the NCPB, but they continue to do the same".[47]

However, there were also antidotes that painted a slightly more positive picture, "[they give] fertiliser. They have given free cows…they have given free seeds…that is about it. They tried with the greenhouses and fisheries, however it never really worked".[48] Others noted that "in the past there was less…with the devolved government things are down to the people. Though when you go to other counties, you can see that programs are fully implemented e.g. Uasin Gishu – so we actually feel that the county government is working. Things are working there, but not so much in Bungoma".[49] This mixed appreciation of services highlighted that the current programs were not systemic, benefited a minority, had critical issues regarding quality and appropriateness.

In Nyeri, unlike in Bungoma, five (5) of the groups were accompanied by local agricultural officers. The evidence from these groups as opposed to the ones that didn't have an officer, presented implicit bias, which in itself created rich data to analyse, "we get a lot of help in learning especially in the centers for agriculture. We can't say that they are doing badly. They are doing very well. We have classes, schools, fertiliser and it's on time, the fertiliser is also good, priced well…We don't get training though".[50] As opposed to the groups without the WEAO that stated that "there is nothing that we get from the government". "Here we don't get any help from the

[45] B.1.9
[46] B.1.3
[47] B.1.5
[48] B.1.2
[49] B.1.2
[50] N.2.11

government…Here you have to be smart. You have to do it yourself…Here the county officers don't come out. There are no field officers. They are far away, and you have to go find them".[51]

In both counties, a dynamic picture was provided into the world of agricultural patronage and the divergent experiences that farmers have. The agricultural services available to varying extents were extension, training, the provision of maize seeds, livestock artificial insemination, and subsidised fertiliser. Notably, the KTDA stood out as the key institution providing support to tea farmers, with no other institutional equivalents, "when it comes to tea, we get help from the KTDA".[52] Overall, public extension was largely non-existent, with farmers having to go to the offices of agricultural officers if they wanted assistance, due to the emphasis on demand driven extension.[53] "We get support from tea from the KTDA and the county helps as well".[54] In Bungoma, all but one of the groups condemned the process of service delivery, once again harping to the death of extension, the politicisation of the agricultural sector, and the ineffective interventions that have been put in place.

Q: Which of these services do you value the most from local or national government?

The initial questions on service delivery allowed for an overall understating of perceptions. It was accompanied by sub-questions on farmers experiences in agriculture around '*the services that they value the most*'.

In Bungoma, the County government featured more prominently than the national government in relation to visibility. National government's presence was hardly noted apart from the National Government Constituency Development Fund (NG-CDF) loans. County service delivery in agriculture was considered to be sub-par, with seeds and fertiliser being tinged by their poor quality, "cheaper inputs…though the quality is not always the best".[55]In most cases, there was no response by the participants on the services they highly regarded due to a lack of access to the same[56], "[we] do not really get support from the government",[57] and with a group going as far as to state, "I wonder, aren't we all Kenyans?"[58] Highlighting the frustration at the failure of service delivery provision.

In Nyeri, when it came to the services rendered to farmers, tea farmers mentioned that the KTDA was functioning adequately and fulfilling its mandate. Agricultural services outside tea were not given much credence apart from in groups where an agricultural officer was present. Some groups recognised the collateral benefits from devolution with improved hospitals and better access to education facilities standing out, "the education, hospitals and other things, like diseases, we 'see' the county government. They are present and they are there…when it comes to weighing of

[51] N.2.5
[52] N.2.7
[53] Annex, table 32
[54] N.2.2
[55] B.1.3
[56] Annex, table 33
[57] B.1.8
[58] B.1.7

produce, now it is digital (KTDA)".[59] Though similarly to Bungoma the general sentiment around agricultural service delivery was negative, "there is no government here…you go to find them".[60]

The centrality of service delivery in the process of devolution is paramount in grasping whether the process is pro-poor, especially in a country like Kenya where the highest prevalence of poverty is in rural areas (Johnson, 2001). Hence, the next question posed to focus groups was on the history of agricultural service delivery. This was set out to create a benchmark and provide firm grounding for questions that would eventually delve into how devolution had, if at all, changed their experience of service delivery in the sector.

Q: When was service delivery best and why?

In Bungoma, the early 1970s stood out as a period where the national government was providing support to high value crops with efficient extension services, "in the 1970s there was visible support".[61] Thereafter, in the 1980s there seems to be a decline across the board in agricultural support services. This is likely due to Moi's regime and the overall decline in the agricultural sector during his reign which was covered in Chapter II. Kibaki's government (2003-2013) was deemed to have revived some of the national agricultural support services, "Kibaki was the best".[62] However, extension and an overall recovery of the sector were not deemed to have taken place, "since 1964, things have been bad…they don't change. Even at the forums, we are tired cause it is the same things... We have stayed here for a long time and there have been no changes".[63]

Devolution was recognised for creating greater visibility in relation to county government actions, however, the transfer of cows and goats among other benefits was deemed to be opaque in the selection of beneficiaries and limited in relation to impact:

> "The past 5 year we heard about the cows been given away. Actually, I got a cow in 2017. However, it didn't have a great impact. There's no discrimination in relation to politics, however we don't know how they decide on who gets the services".[64]

Extension services were considered non-existent with claims that officers stay in their offices, which could be attributed to the reduction in transport provisions covered below,[65] and the emphasis on demand driven agricultural services. Devolution, to farmers in this county had thus far failed to be considered positive in relation to agricultural service delivery. Notably, the private sector and NGOs were considered to be taking up the space that the government had failed to fill.

In Nyeri, there were mixed results to this question. Most groups stated that the conditions to practice agriculture had diminished since the 1970s, with little improvement thereafter, "having a devolved government has just brought more politics".[66] However, there was also a distinct number of farmers that claimed that agricultural services had markedly improved since devolution had

[59] N.2.1
[60] N.2.7
[61] B.1.9
[62] B.1.4
[63] B.1.11
[64] B.1.5
[65] Section on 'Extension'
[66] N.2.11

commenced in 2013. Notably, most of the positive responses were from farmers that were supported by the KTDA, which stood out as an institution that had continually supported its farmers, "there is a great improvement…Services are closer since devolution".[67] The 1980s and Moi's regime stood out as a period of decline.[68]

Notably, there was a distinction that should be covered as it affected the results to this question and generally, questions around extension below, simply the groups that spoke more positively about extension since devolution were the groups where the researcher was accompanied by a WEAO. The presence and selection of groups by the WEAO invariably created a risk of implicit bias as mentioned. That being said, the quality of information and amount of influence that the WEAO did not perceptively invalidate the exercise, as evidenced by the mixed results that were also present in these groups. In both counties there was an appreciation for the changes since devolution, arguably built on the previous work of the Kibaki regime, and new county initiatives.

Themes for county interviews

At both the sub-national and at the farmer level, unique experiences around the implementation and delivery of decentralisation were captured revealing strong correlations between the two groups. The correlations strengthened various narratives relating to decentralisation, whereas the anomalies created a depth of data that highlighted the differences in experiences that various groups were exposed to.

Combined county staff and farmer perspectives

Since 2013, it was acknowledged that there had been a growth in visible development projects. However, the perceived net benefit of the projects varied amongst farmers, with a majority claiming that they were not beneficiaries. Uasin Gishu provides a clear example of development expenditure. Milk cooler structures that were installed, with a local MCA stating that, despite the "slash of the expenditure budget on agriculture…the current spending on development, means that tenders for milk coolers for example will continue in earnest".[69]However, the impact of coolers was questionable, as noted by a private actor, "a cooler is like a store…there is no value addition, therefore, farmers will only gain minimally".[70]

Moreover, SCAOs and other technical officers noted another correlation, the reduction in operational/facilitation funding that invariably reduced frontline extension to farmers post-2013:

> "the money is spent and directed more towards development projects. We are asked to implement, but there are no funds for the facilitation of the same. I have no means of transport, even if I have to cover 7 wards. The things that are going on right now are the building of coolers, structures for horticulture and the youth group projects. If you build coolers but don't train farmers, then you will find that there is a disconnection".[71]

[67] N.2.8
[68] Annex V, table 34
[69] 27U7
[70] 39U8
[71] 32U3

The point on 'disconnected' service delivery between projects and needs was captured at the farmer level as well, "they came and built a milk factory, though no one asked for it, they just brought it. No one wanted it".[72]This has parallels with public participation failure mentioned above, however it clearly highlights that development spending is not necessarily connected to farmer needs, with most focus groups noting that they don't receive support. The logic behind this lack of coordination is likely due to the patron-client relationships that arguably have captured substantial rents at county level as noted by an official in Uasin Gishu:

> "funding political activities has led to more development that seems to be serving the population, though these activities rarely improve their conditions. For example, *kijana na acre*, money was given to the youth, they shared it amongst themselves and that was it".[73]

This goes against the grain of the proponents of decentralisation that would argue that decentralisation brings people 'closer', reducing transaction and information costs (Faguet and Sánchez, 2014). What this theory fails to take into account is the prevalence of primitive accumulation and rent-seeking especially by intermediate groups at sub-national levels, with its potentially disruptive effect in relation to providing public goods over rent transfers (Ahmad et al., 2005).

Notably, road infrastructure was an area where there was joint recognition of the benefits of development spending. Spending in this area was found to provide collateral benefits in relation to reduced cost of transport to market. Another positive correlation was the support that the KTDA continued to provide farmers. The productivity of the tea sector in comparison to other subsectors as discussed in Chapter IV had had a unique institutional journey, which led to growth enhancing rents. The KTDA was subsumed into AFA, however decentralisation did not alter its core operations:

> "the county government has very little to do with the tea sector. KTDA control their sector's value chain. Tea CESS was however given to counties as a means to collect revenue. The streamlined management, extension, contracting and marketing of tea has set it apart from other commodities, like coffee".[74]

In converse, coffee and sugar farmers, were not recognised as having benefited in terms of services since devolution, with comments such as, "the history of coffee is another key indicator as to what happens when cartels capture a sub-sector".[75] When a public official in Bungoma was asked about the failure of services in the sugar sector he exclaimed, "corruption, corruption! Since the 1980s, everything has changed…"[76] Coupled with narratives around the lack of payment from public millers after the 18-month growing period, the sector's previous shortfalls seemed to have largely perpetuated themselves post-2013.

Furthermore, it was found that it was common practice in the counties to distribute rents for development equally among the wards, in order to placate local MCAs. This approach had placed

[72] N.2.2
[73] 33U3
[74] 19N2
[75] ISS63
[76] 5B2

equality over equity demonstrating that governors' key interest were arguably to maintain a local support base, "every MCA wants their ward to have the full benefits of devolution. In the County Assembly they argue for all resources to be shared equally".[77]

A clear example on the unintended consequences of this approach was found where "two coffee mills approved for construction in Bungoma, built in separate wards to pacify MCAs from those wards, to demonstrate that 'they deliver'. This occurred despite the lack of funds to complete two,[78] and lack of raw materials to process".[79] This redistributive political approach to planning with seeming paramount emphasis around development projects has been typically unproductive and largely ineffective at addressing local priorities. Notably, another interviewee went onto to state that due to the political considerations taken in Bungoma, both factories were still not operational defeating their purpose entirely, "currently, we have 2 mills that are both partially completed and not enough money to complete them. If we had just one, it would be operational by now".[80]

Extension

Kenya's extension in the 1960s-1980s was dominated by the public sector. Since then there have been three predominant models: The National Agricultural Sector Extension Policy (2012) which offers free public extension services to mainly smallholder farmers; partial cost-shared provision, which aims at farmers that are considering small-scale commercialization; and full commercialized extension, which is mostly private involving private companies and cooperatives (Laibuni et al., 2014). This analysis focused on free public extension to smallholders.

The provision of public goods is a key attribute that decentralisation is anticipated to enhance. Moreover, there is an expectation that the public good will be targeted, consider the desires of its constituents, and provide a service that will enhance livelihoods. Within the agricultural sector, stepping away from development programs, it is the provision of training and/or extension services that is considered by numerous practitioners and farmers as the key to delivering impactful service delivery (Food and Agricultural Organization, 2019; Laibuni et al., 2014). A global study found that extension provided a 62% median rate of return compared to a 48% median rate of return for agricultural research and other related interventions (Alston et al., 2000). However, training cannot 'be seen' and within a patron-clientelist system, rent distribution is not likely to be conducive under such a model and/or in the interests of intermediate groups.

Agricultural extension services can be a key contributor to the dissemination of information, however the findings revealed that all the interviewees across every county, agreed that extension had declined. It was stated that, "devolution has changed the outlook around the services…agricultural devolution killed extension services. The lack of benefits available from supporting agricultural extension is one of the key reasons for its decline…the issuing of tenders for seed etc. is where money [is]",[81] and where county governments have focused their spending.

[77] 3B3
[78] Chesikaki and Musese coffee mills
[79] 3B3
[80] 6B3
[81] ISS43

This also highlights the power dynamics in the county. In relation to public participation, the key stakeholders in most, if not all counties did not represent smallholder farmer interests.

Overwhelmingly, when county staff were asked about extension, their answers went against the grain of the proponents of decentralisation. 11 of 15 interviewees mentioned that agricultural extension had in some way declined since devolution. This group mainly consisted of SCAOs and WEAOs (5 of 15), however the rest of the group demonstrated diversity indicating a uniform acknowledgement of the premise. The group included: CDAs (2 of 15); a CO (1 of 15); an AFA staff member (1 of 15); and surprisingly an MCA (1 of 15). This wide range of respondents from different strata indicates that there are arguably some systematic flaws in the means in which extension was delivered in the counties. Notably, none of the respondents claimed that extension had improved (0 of 15). This revelation reinforced the argument around varying decentralisation outcomes in relation to clientelist systems.

In this case, the assumption that decentralisation will make it possible to satisfy citizens demands for public goods and services more effectively is brought into contention. This research question provided the opportunity to observe the outcomes of reduced operational spending in the face of an increasing appetite for development programs. Arguably, prior to decentralisation, extension was still not exceptional with a majority of the allocation spent on personal emoluments (Laibuni et al., 2014). The reduction of the already intermittent services that were previously provided by the national government hamstrung agricultural services even further than before 2013, as captured in *table 35*.

Another of the key findings in relation to extension was the lack of autonomy that staff from SCAOs and below were provided. They lost their previous privileges including their more holistic approach in reporting, which they claimed allowed for better extension delivery.

County	On Extension	Key Result(s)
Bungoma	Improved (0)	
	Mixed (2)	▪ Devolution has led to more money in the agricultural sector ▪ Devolution initially wasn't clear but since 2013 there has been progress ▪ The WDF has created rent-seeking, with politicians (MCAs) wanting equal rather than equitable strategic shares (inappropriate funding)
	Declined (3)	▪ Devolution has led to the decline of extension ▪ No money for facilitation of agricultural staff ▪ Most of the spending in agriculture has gone into development ▪ Devolution has not reached the people ▪ Devolution has created a politicised agricultural sector, where decisions made are firstly decisions based around political considerations rather than technical merits ▪ Less training to technical staff since devolution
Kiambu	Improved (0)	
	Mixed (2)	▪ There are still some communal functions that occur to deliver services to farmers

		▪ Trainings are aimed at being holistic due the wide range of affairs farmers are involved in
	Declined (1)	▪ Extension has declined, with limited staff posing one of the key threats to the sectors future
Nyeri	Improved (0)	
	Mixed (3)	▪ Extension demand driven ▪ Preference in dealing with groups rather than individuals ▪ Extension closer to the farmers but demand driven
	Declined (3)	▪ Extension inadequate ▪ Governors prefer populist programs
Uasin Gishu	Improved (0)	
	Mixed (1)	▪ Private engagement of farmers ▪ More facilitation required
	Declined (7)	▪ County Staff restricted in movement and finance ▪ Extension centralised at the county level ▪ Extension better before 2013 ▪ Future is demand driven extension ▪ More WEAOs and less SCAOs required
Overall Trend	Improved (0)	
	Mixed (8)	(1) CO, (2) CDA, (2) SCAO, (1) WEAO, (1) AFA Officer, (1) Private Actor 17N1, 19N2, 20N3, & 21N4, 11K2 & 13K3, 6B3, 1B5, 38U6
	Declined (15)	(1) MCA, (2) CO, (3) CDAs, (5) SCAOs, (2) WEAO, (2) AFA Officers

Table 27. Focus Groups on Extension
Source: Author

Focus Groups on Extension

This analysis was limited to Bungoma and Nyeri. The results in this section contributed to the overall understanding of extension provisions being provided at the county level from a farmer perspective. These questions provided further insights into the experiences of farmers pre-and-post devolution.

Q: How often do you see public extension staff since devolution in comparison to what was occurring prior to devolution? And has the quality and nature changed?

These questions sought to engage a comparative discussion and draw upon the changes since 2013. In Bungoma, one of the key findings was the correlation in the decline of extension service provision at the county and farmer levels, "the county extension officers don't come."[82] It was noted that there had generally been a decline in extension availability, and when present, there was no notable difference in quality, "the extension officers of the government, we never used to see them and still we don't see them. Even today we don't know who they are".[83]

[82] B.1.1
[83] B.1.10

One of the critical changes was the lack of availability of officers on-site in favour of office-based demand-driven extension, "you have to go to their offices. They came out around three times and since then we have not seen them".[84] "Before they were everywhere…Now they are officers. And officers must sit under shade, and that means they stopped coming...We don't know what they do. They used to help a little, however, now they just leave the farmers to their own vices…they expect you to go to the private sector to find your own solution.".[85]

Moreover, the amount of contact with extension staff had also observably reduced since devolution with most groups not knowing the identities of their respective SCAOs or WEAOs, "even if you ask me today who my extension officer is today, I can't tell you…in general the extension officers need to move closer to the farmers".[86] Simply, most groups stated that "[they] don't see them".[87]

In Nyeri, the answers received indicated that extension overall had declined as well, "there are no extension officers. They were the ones that could help in the past. Though if you call them, they will come, however they will just come see you. They won't go to everyone. They simply come help you with your issue then they will move on".[88] The exceptions were within cash crop sub-sectors, like tea and coffee, "we see them more now".[89] These export commodities are supported by national institutions, like the KTDA which continue to manage support to their farmers, "the officers are normally people from tea".[90]

Another county institution that received positive feedback was the livestock sector, which was corroborated by county staff statements, "in livestock, we ride on their back…they are better funded than most projects".[91] Though overall, the picture was bleak. It was noted that extension was not prevalent, and where it was present, it was on demand, or it benefited mainly cash crop farmers, "at the bottom you don't see them…even before devolution you didn't find them…The national extension officers that do show up are normally attached with Coffee".[92]

Notably half the groups,[93] mentioned that since devolution they had no contact with public extension officers. In Bungoma, the outlook remained starker than Nyeri in general. In the latter, cash-crops and formal institutions like the KTDA handled their own extension service provision. Notably, only three (3) focus groups participants mentioned that extension had gotten better, however this may have been influenced by the circumstances of the interview, which were organised by a government WEAO. Finally, a majority of responses, stated that there had been little to no change in the nature and/or quality of the interactions with extension staff since devolution.[94]

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[84] B.1.9
[85] B.1.5
[86] B.1.11
[87] B.1.2
[88] B.1.6
[89] N.2.3
[90] N.2.11
[91] 33U3
[92] N.2.5
[93] Annex V, table 36
[94] Annex V, table 36

Themes from county interviews on extension

The importance of extension should not be understated. It is the key means in which to assist farmers outside input transfer regimes. Notably, even in the case of a new input, such as a seed variety, farmers would be better able to meet expected productivity goals if they were trained on the best planting, nurturing, and harvesting techniques to enhance yields and reduce waste *inter alia*. At both the county administrative and focus group levels, across the counties, the narrative that was portrayed, except for focus groups that were established by a WEAO, was that extension was the same, or in decline. Below, county staff and focus groups provide a clear picture of the findings.

Combined county staff and farmer perspectives

In Chapter V, it was acknowledged that development programs have played a significant role within county agricultural departments expenditure. From the findings it was also deduced that there was a renewed emphasis on demand-driven extension, "prior, farmers had no link, they would just wait for the WAEO to turn up. Now, part of their training is to be demand-driven…to get a hold of the officer, and also for the officer to get a hold of them".[95]This is not to claim that demand-driven extension did not exist prior to 2013. However, there seems to be a reemphasis in its utilisation. In principle demand-driven extension has its merits, it is targeted, thereby arguably able to deliver tailored solutions, and encourages engagement. However, the emphasis on being "more targeted"[96]only works if there is dissemination of the service, if the farmer has the resources to contact the officer, if there are officers actually available and able to assist, and if the issue can be dealt with in a timely fashion among other things. These considerations compounded with the notion that there is a reduction of funding for extension highlighted the changes in extension delivery, "between professionals, the executive and technical staff there is a conflict…we hardly get any resources for extension".[97] Statements like these demonstrated that aside from the demand driven approach, most farmer groups and county administrative staff agreed that extension services had declined or kept former parity since 2013.

The centralisation of transportation at the county level reduced previous mobility of extension officers, which they state attributed to the decline in support to farmers as captured by a SCAO, "we used to have vehicles. However, they were all taken and centralised by the county, under a single transport county officer. These days it is only the CDA who has a car to move around with. We have no mobility".[98] There was also a common narrative around the reduction of facilitation[99], noting among other things that "[there was] better facilitation at the national level previously".[100] Arguably, the national government had support from donors, however the increased agricultural budgets provided the opportunity to offset changes. An apt summary of the situation was captured by a Deputy CDA officer in Bungoma:

[95] 38U6
[96] 14K4
[97] 10K2
[98] 32U3
[99] Facilitation covers a large array of objects that make the work of agricultural officers possible, for example: pens, petrol, transport, offices, trainings etc.
[100] 1B5

> "There is more money, however most of it is going to development…people want to build. More concentration on structures, but little on facilitation…e.g. with the greenhouse project. There was no training, capacity building, no visits, or field-days, just the transfer of the greenhouses…Since devolution, about six (6) sub-counties have not had a field day".[101]

Overall, there are mixed opinions, but overwhelmingly officers and focus groups stated that "extension is dead".[102] Nyeri presented a minority exception demonstrating that there may be some positive changes within different subsectors and counties, "people say that extension is dead, however in Nyeri it's different. In Nyeri we've embraced it…field days, trainings, buying transport for field staff…but the level has been reduced from the past".[103]

This coupled with the failure of all researched counties to train new staff, the politicisation of agriculture, with changes in leadership sometimes also meaning changes in agricultural policy, "they're political not technical, when they leave, projects are incomplete, and a new governor has their own agenda",[104] have all played a role in the decline of extension. These factors and the above mentioned demonstrated that the future of county agricultural extension had not reaped the normative expected benefits of decentralisation.

Notably, most of the SCAOs and WEAOs who previously worked for the national government were about to retire. It came up, time and again, that the lack of onboarding of new staff was considered a future threat to the sector. With caps on hiring and a seeming lack of interest in widescale extension, the future of the sector's service delivery is likely to decline further in the foreseeable future *ceteris paribus*.

Agricultural Development Programs

In Chapter V agricultural development programs were identified as a dominant form of agricultural expenditure. Development projects have been attributed to the new mantra of the palpable, where county administrators "want tangible things in relation to their development…to be seen to be doing…and county staff can't force county executives to perform outside their political mandate".[105] This highlighted the pre-eminence of senior political staff in the counties, noting the primacy of governors agendas, which sparingly took into account technical application over political considerations.

The implications for the agricultural sector in counties has been an emphasis on agricultural development programs, with the general representation from middle/lower technical staff in all four counties stating something on the lines of, "they don't call us (in terms of participation), and they don't take care [of] the things that need attention…they focus on the big things".[106] 'Big things', in the context of that statement, are capital investments, like cattle dips, milk coolers, processing plants *inter alia*. This sub-section focuses solely to the farmers experience. The crucial

[101] 6B3
[102] 2B5
[103] 19N2
[104] 1B5
[105] 9K5
[106] 35U4

issue here was discovering the reception development programs had received from farmers who are the intend formal beneficiaries of the programs.

Q: Which county agricultural developmental programs have been delivered in your area since 2013?

In Bungoma, there were several recognised programs. Mainly the transfer of dairy cows and *kienyeji* chicken.[107]There were also programs that dealt with greenhouses for the youth, though in all these instances, the selection of beneficiaries, quality of workmanship, and the benefit to the wider farming community was questionable, "in 2013 they came with the promise [of] greenhouses…and they came and built them. Though they built them so badly that they don't work. After the first rain, they were washed away".[108] There was also general observation across most of the groups that the beneficiaries of such county programs were normally individuals or groups with connections to the county government, "they (county government) brought cows, chickens…it is hard to know how and who gets the benefit. You have to be connected. People here don't get to know what is working and when it is happening…this system allows for people who are connected".[109]

This recognition of the patron-client relationships that prevail at county level was a recurring theme with, several other groups recognising that a 'connection' would likely equate to a higher likelihood of rent transfers to an individual and/or group:

> "We have heard of projects, some with livestock, however we have not benefited. The people who benefit are people who have connections…the interaction from the county has not yet reached us. There was the tomato processing plant, however, over time it has not really worked. Someone just benefited. It was only in name".[110]

Furthermore, mention of services such as cattle dips and greenhouses were prominent. However, receipt of the benefits was not widespread, and in several instances the quality of the inputs came under scrutiny as being sub-standard, despite the acknowledgement that inputs are not developmental programs *per se*.

In Nyeri, the responses were mixed.[111] Some farmers that had managed to truly receive the fruits of devolution receiving, "water harvesting and storage. They are building boreholes and water-pans [as well]".[112] This contrasted with other groups that have had a less positive experience, "there is no road, there is no water…there are no projects".[113] Overall, it was clear that not all farmers benefitted the same way.

It was found that in Bungoma, most groups had not enjoyed any programs, whereas in Nyeri a minority of groups had benefited from, "water harvesting and storage,"[114]and "green houses".[115]

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[107]Traditional, native free-range chicken
[108] B.1.9
[109] B.1.2
[110] B.1.3
[111] Annex V, table 37
[112] N.2.8
[113] N.2.3
[114] N.2.8
[115] N.2.10

Though even among those that had received benefits, there were issues regarding the quality of program, "we were told that artificial insemination would be free but it never happened…It was badly run and coordinated".[116] However, a majority of groups stated that "there's nothing that the government is doing in the way of projects that [they] know about".[117]

Themes from County interviews on Agricultural Development Programs

It was made apparent that in a clientelist political settlement, the prevalence of patron-client relationships, had provided the political elites at the subnational level with the tools to be redistributive with local rents *figure 1*. The emphasis on development spending had provided a key rent stream in which benefits arguably are channelled to clients. At all stages there was an opportunity for rent-seeking which it is submitted was prevalent, leading to poor workmanship, low impact, and captured programs.

Correlations and contrasts between farmer groups

The correlations that were captured in this section notably highlighted the prevalence of programs that were seemingly based on patronage being the means of selection in relation to beneficiaries. The programs that were identified, were direct transfers, such as green houses and the supply of inputs. An overarching issue was the lack of oversight and benefit that the programs were having long-term. Many of the programs seemed to mushroom, be captured, and fail to benefit the broader community.

There were some notable outliers, groups that claimed that they had benefited from county development programs in both Bungoma and Nyeri. In Bungoma the benefits had mainly been captured in programs which provided direct transfers of livestock to farmers, i.e. free cows and chicken. Though even in these instances, the way individuals were selected was not entirely clear. There were narratives around forming groups and approaching the county authorities in an organised manner, however more often than not, the benefits that were derived from county programs went to farmers that were 'known', arguably farmers that consisted as being part of the intermediate groups in that region.

In Nyeri, the presence of the WEAO meant that the groups that had benefitted from the county programs, were some of the same groups that were 'known' by the local authorities. Overall, the contrast in opinions between farmers that were beneficiaries of county development programs, and those that were not highlighted the importance of rent-seeking. The beneficiaries of county rents, who were the minority, subscribed to the notion that decentralisation had provided development and service delivery, though the experience of the adjacent non-clients, the majority, provided little evidence that decentralisation had altered collective farmer fortunes.

[116] N.2.11
[117] N.2.6

On Stability

Stability refers to the legitimate control of violence in society (D. North et al., 2009). It is theorised in normative arguments in support of decentralisation, that the system of governance, by sharing power, satisfies the demands of actors that previously would not have had a platform, and in so doing defuses national tension. In Chapter II, the genesis, and motivations behind the 2010 constitution were explored. Generally, the 2010 constitution was a compromise by all parties which devolved power, moving away from the unitary power structure of independence towards a form of *majimbo*.

The previous first-past-the-post created a winner-take-all majoritarian precedent that largely excluded other factions, rather than a proportional system that would ensure smaller groups were also able to share power. The continual imbalance, that failed to reflect the political settlement of the nation, as in being a true reflection of power among organisations was one of the key reasons for the violence following the 2007/8 election (Kanyinga, 2016; Khan, 2018b).

For the purposes of this outcome, the focus groups were not deemed to be the ideal platform to explore questions in relation to stability. It was deemed that a macro-perspective on the same would provide a clearer perspective on the issue of stability in the nation due to devolution, a matter which was covered thoroughly in Chapter III. Anecdotally, there have been two election since 2010: in 2013; and 2017. In both elections, previous issues around tribe have been the key driver around coalition formations, with localised violence occurring in both elections.

The 2017 election provided a hallmark moment to examine stability. In an unprecedented move the judiciary nullified the presidential election. Though unlike the 2007/8 experience Kenyan institutions managed to maintain peace and perform a second election. During this period there were no incidences of systematic violence, though there was unrest mainly in western Kenya. The stress-test on Kenya's stability arguably demonstrated that decentralisation had played a role at diffusing pressure at the center, largely due to the five (5) other steams of elections[118] which had occurred, providing national and regional actors with a form of compensation. The presidential election did not affect their tenure, emoting less compulsions toward civil disobedience and/or violence. Moreover, the acceptance of the ruling by the government, and the re-run demonstrated a respect for due process which was an adequate resolution to the impasse.

However, despite Jubilee winning the October 2017 re-run, on January 30 2018, Raila swore himself in as 'The Peoples President'. A symbolic title, which averted the government from arresting him on grounds of treason, as he did not declare himself 'the President of Kenya'. This move broke ranks with his National Super Alliance (NASA) counterparts, eventually propelling Raila back into the limelight as the chief arbitrator for opposition politics. A manoeuvre that was crystallised by a 'handshake' with Uhuru, on the basis of a resolution on the maintenance of peace. This resolution and decentralisation preserved the stability.

Overall, devolution has positively contributed to stability, the extent of the contribution is debatable, though with most political actors being adequately compensated, competition for the

[118] Under the current dispensation there are six election for the Kenyan voter to consider: President, Governor, Member of Parliament, Senator, Woman Representative, and Member of the County Assembly

presidential office is no-longer the high-stakes pre-2013 winner-takes-all. The distribution of political power has not muted the scrimmage for the national executive office, instead it seemingly raised the bar in relation to likely outbreak of systemic violence.

On Devolution

In this section, impressions on devolution from all four (4) researched counties were included. The results from the 23 respondents were: 3 of 23 considered devolution to have brought in positive benefits overall; 8 of 23 had mixed impressions of the process; while 12 of 23 claimed that devolution was negative overall. The positive outlook adopted by 3 of the 23 was constituted by an MCA, and two CDAs. Notably, the absence of any extension staff considering the process as being positive highlighted the rift in appreciation of devolution within county hierarchy. Moreover, having an MCA claim that devolution had improved positive aggregate effects on the county, highlights the greater divide between the political decision-makers and technical staff experience of decentralisation. What was surprising was the lack of COs that were expected to support the process. COs were all found in the more nuanced 'mixed' grouping.

The mixed group which formed 8 of 23 of the respondents constituted 3 COs, 3 AFA Officers, 1 NGO staff member, and an Assistance CDA. COs represent the highest hierarchy of technical staff who are also appointed by a governor. AFA officials provided the national-county link, their impressions provided a picture of national imbedded staff at the county level. In summary, they broadly viewed decentralisation as a process that was ongoing, not collapsed, and/or completed, which was providing positive and negative outcomes.

The final group consisted of, 3 CDAs, 4 SCAOs, 4 WEAO, and 1 private sector executive. This group highlighted a core theme that was derived in early stages of this chapter. Middle and lower technical county staff had largely not benefited from the decentralisation dispensation. Consequently, their impression of the process was negative overall. Moreover, another interesting finding was the inclusion of the CDAs. Previously expected to be one of the key beneficiaries, in this case, they demonstrated that despite this impression, they mainly provided statements that were critical of the decentralisation process, as aptly captured below:

> "Devolving to this level isn't good. It was likely that it was only informed by politics. Moreover, the breaking of the 47 counties by tribe has ingrained inefficiency. There is too much pettiness… and when you bring devolution down to this level, the cost of running all the units…from 8 to 47 is very expensive. Money which is available is absorbed by direct employment, which in many instances is based on nepotism. It is good to devolve, but this is way too far."[119]

When considering the expected fruits of devolution, the expected outcomes provided an opportunity to engage with participants on their lived experiences. Coming off the back of previous questions, this question provided the interviewee a holistic avenue in which to provide their impression on decentralisation and its effects. The results demonstrated in *table 38* highlight that within the agricultural sector, there is an argument to be made, that the decentralisation of a

[119] 30U2

productive sector of the economy in a competitive clientelist state comes with credible risks that informal institutions may scuttle the intended benefits of the process.

Overall, the impression from both county staff and farmer focus groups, was that decentralisation had not enhanced livelihoods and/or improved agriculture.

County	On Decentralisation	Key Results
Bungoma	Improvement (0) Mixed (2) Decline (3)	▪ Devolution has led to the decline of extension (3) ▪ Devolution initially wasn't clear but since 2013 there has been progress (2) ▪ Devolution has created a politicised agricultural sector, where decisions made are firstly decisions based around political considerations rather than technical merits ▪ Devolution has led to money in the agricultural sector ▪ Devolution is ongoing ▪ Devolution has not reached the people ▪ Most of the spending in agriculture has gone into development ▪ There is no money for facilitation of agricultural staff ▪ The agricultural sector since 2013 is top-down rather than bottom-up
Kiambu	Improvement (2) Mixed (1) Decline (1)	▪ There is more funding in agriculture. More visible county programs (2) ▪ There is a lack, and declining extension service to farmers (2) ▪ There is a notable divergence in the implementation of devolution depending on the county ▪ The implementation of devolution acknowledged as politically driven at counties rather than technical ▪ Services are closer to the people
Nyeri	Improvement (0) Mixed (4) Decline (0)	▪ Agriculture has been devolved (2) ▪ There is policy alignment between county and national governments ▪ MCAs want equal distribution of resources ▪ The transitional costs of devolution were high ▪ Governor led initiatives are prioritised ▪ Political interest in coffee has hampered productivity ▪ SCAOs and WEAOs lost their AIEs and other roles ▪ There has been a centralisation of county affairs ▪ There is limited inter-county communication
Uasin Gishu	Improvement (1) Mixed (1) Decline (8)	▪ SCAOs and below hindered from providing extension services and have a reduced mandate (4) ▪ Focus on development projects with low returns (3) ▪ MCAs hijack ward administrative meetings (2) ▪ Devolution hampered development ▪ Political considerations dictate decision-making ▪ Government is closer to the people ▪ Devolution centralised the counties ▪ The agricultural sector is diminishing ▪ Devolution has not been fully implemented

Overall Trend	Improvement: (3)	▪ (1) MCA; & (2) CDAs
	Mixed: (8)	▪ (3) COs; (1) NGO officer; (3) AFA officers; & (1) Asst. CDA;
	Decline: (12)	▪ (3) CDA; (4) SCAOs; (4) WEAO; & (1) Private Sector Executive;
Total	23 Participants	

Table 28. Participants Perception on Decentralisation
Source: Author

Conclusion

The process of decentralisation is continuous (Ahmad et al., 2005). The form it takes is context specific. Decentralisation to a large extent is an examination of power that is transferred to subnational units. The transfer of power and organisation of how power works informally and formally is indirectly an analysis of political settlement theory. In the case of the Kenyan agricultural sector, decentralisation had occurred. However, the expected normative outcomes of the process were largely not attained in the agricultural sector.

The centralisation within counties, the new top-down structure, concentrating decisions and power at the county executive level, had arguably eroded some of the expected benefits of decentralisation in relation to democracy, development, and service delivery. What had occurred was the shift in decision-making which was driven by political staff. The normative expectation that service delivery will improve as an outcome of decentralisation was shown not to apply in relation to county agricultural sectors where client-patron relations are prevalent, with local centralised power being exercised without technical backstopping, for arguably redistributive purposes.

The curtailing of SCAO and WEAO operation budgets and general political centralisation of the county agricultural sector had negatively affected agricultural service delivery. This was evidenced by the overall trend provided by phase II and III respondents who determined that extension services had declined. The few instances where this was not the case, was when a government WEAO was present, which arguably perpetuated forms of implicit bias.

Another key normative expectation that was investigated was the effect of decentralisation in relation to enhanced democratic outcomes. Political decentralisation had occurred, and counties were able to vote for their candidate. However, improved democratic outcomes were found generally not to be the case regarding public participation. Public participation was observed to be selective at best, and in many instances by invitation only, with MCAs and other administrative actors acting as gatekeepers. Respondents from the focus groups that had attended also referred to limited ability to contribute at meetings, especially in relation to farmer and/or agricultural interests.

Despite the formal instruments encouraging public participation, the 'stakeholders' in the agricultural sector were notably not smallholder farmers, as evidenced by the policies in place which were largely not considered beneficial to their interests, noting a failure in their collective action (Ostrom, 1990). This finding was in-line with the analysis of power, on how intermediate groups are usually better organised enabling more effective rent-seeking in accordance with their

interests, which usually don't align with smallholder farmers. A clear indicator of this was the increased development spending which notably most respondents referred to as uninformed with limited impact in addressing actual local needs, though seemingly benefiting the 'connected', harking back to *figure 5*.

The research also confirmed that the agricultural sector has historically not received considerable investments, with farmers claiming that the period when service was best was mainly in the 1970s, followed by the Kibaki period (2002-2013). Among the services that were desired it was clear that public extension had failed to meet expectations in most instances. What had been enhanced since 2013 was development programs. An ASDSP Coordinator in Bungoma captured the Kenyan agricultural experience expertly, "in Kenya there are only two clans, the rich and poor".[120] Indeed decentralisation and the centralisation of power at county level has merely emphasized the rent-seeking of yesteryears. The difference this time, is the amount of control subnational units have.

[120] 2B5

CHAPTER VII

CONCLUSION

Introduction

As an aid to the reader, the final chapter restates the research problem and methods used, highlights the findings of the research, and discusses their implication. The research focused on decentralisation in Kenya, with a focus on the crops sector. The year 2013 marked a critical juncture where experiences were compared due to the institutional changes at the national and sectoral level. From a unitary state, Kenya experienced reforms that had debatably been pending since the 1960s. Within the agricultural sector there were two critical changes: the unexpected institutional rearrangement of agricultural crop sector due to public policy reforms that were largely based on the objectives of the Sector Revitalisation Strategy (SRA (2004-2014*)), that created the Agricultural Food Authority (AFA), which centralised national parastatals and regulated a majority of the crops sector; and due to the 2010 Constitution, a new boundary in national and subnational responsibilities was created.

Chapter II employed a historical approach setting out the backdrop in which the research was located. The 1963-2017 period was segmented into five distinct eras. These periods were selected to highlight the changes in agricultural public policy, the role of agriculture in the distribution of rents, and the sector's significance within Kenya's political settlement. The presentation of a backdrop assisted in establishing a basis to rationalise the sectoral changes in 2013.

The role of decentralisation remained fundamental throughout the dissertation, being central to the structure of Chapter III, V, and VI. What was being broadly investigated were the implications of devolution in the agricultural sector, especially in terms of service delivery. In Chapter III, Kenya's decentralisation experience was compared to Ghana and Uganda's due to their initial respective precedent-setting processes in the 1980s. This comparative examination adopted Falleti's (2005) approach to decentralisation sequential theory, which emphasizes the hierarchical nature of political, fiscal, and administrative decentralisation. Broadly, it is expected that subnational unit preference would prioritize political, over fiscal, and administrative concessions. The national preference, within this framework is considered to follow an inverse sequence, with political decentralisation being the least desirous concession. This framework provided the opportunity to explore decentralisation literature with emphasis on African decentralisation and locate Kenya's process amongst its contemporaries.

Chapter IV, followed from Chapter II, by introducing empirical data which engaged with the research questions, highlighting the role of decentralisation in agriculture. This Chapter dealt with the rationalisation around the creation of AFA, examined the institutional agricultural sectoral landscape post-2013, and the outcomes therefrom.

Chapter V analysed the empirical data from the national and subnational levels to grasp how the changes in the agricultural sector, initiated by decentralisation had changed intermediate theoretical outcomes: autonomy; accountability; and capacity. In both Chapters V and VI Dickovick and Riedl's (2010) framework to the subject matter was utilised to frame the analysis, which assisted in the examination of empirical results against decentralisation theory. Finally, Chapter VI provided empirical data from farmer focus groups and county staff. This information provided a fuller picture of farmer experiences of agriculture, pre-and-post decentralisation, completing the analysis on democratic, development, and service delivery outcomes.

Statement of the Problem and Review of the Methodology

Kenya continues to rely on agriculture as a key contributor to growth, labour, share of exports and manufacturing. Agriculture's 34.6% contribution to GDP highlights that it is as important in 2018, as it was at independence (The World Bank, 2019). Despite its prominence, the sector traditionally has received inadequate public support. This has translated to disparate outcomes in terms of productivity among varying subsectors. Decentralisation offered the opportunity to alter agricultural outcomes. Subnational governments approach to agriculture was examined to extrapolate whether the 2010 constitution formal institutional framework altered the way Kenya engages the sector.

The dissertation sought to analyse how agriculture had historically contributed to rents in the Kenyan political settlement. How decentralisation and AFA had affected the agricultural sector, and to what extent the normative theoretical expectation of decentralisation would be present. The primary driver behind these problem statements aimed to gauge the state of agricultural service delivery, and to speculate as to whether decentralisation may provide the opportunity for growth enhancing rents and/or pro-poor policies.

The methodology employed utilised a case study research design which gave depth and breadth to the information collected. The research adopted a multi-tiered approach over four counties. Phase I utilised semi-structured interviews from key informants and actors at the national level. This permitted a range of public, private, and NGO actors to be interviewed, providing depth and perspective to grapple with the complexity of the subject matter. Phase II maintained the semi-structured interview methodology in the selected counites with interviews spanning the vertical of county administration power within the agricultural sector. Finally, phase III engaged primary producers' collective perspectives, highlighting how they were affected by formal institutional changes. This also provided the opportunity to make a comparison on previous service delivery and the changes that occurred since 2013. The exercise involved focus groups in Bungoma and Nyeri counties.

Combining political settlement theory, agricultural policy, and decentralisation provided a theoretical base that invited critical insights into power, rents, and their distribution (*figure 35)*. Institutions are not just rules for making decisions, they also define the distribution of benefits (Khan, 2010). This approach provides insights into the distribution of formal and informal rents and power among groups based on policy within a subsector that has remained at the heart of the Kenyan economy in a period of decentralisation. This theoretical combination assisted in refining rationalisation of how the political economy of the Kenyan agricultural sectors operates. *Figure 35*

illustrates the interconnectivity that is developed and reinforced by this approach. The distribution of power affects the institutions in decentralisation and agricultural policy. With a one-way relationship between decentralisation and the agricultural sector.

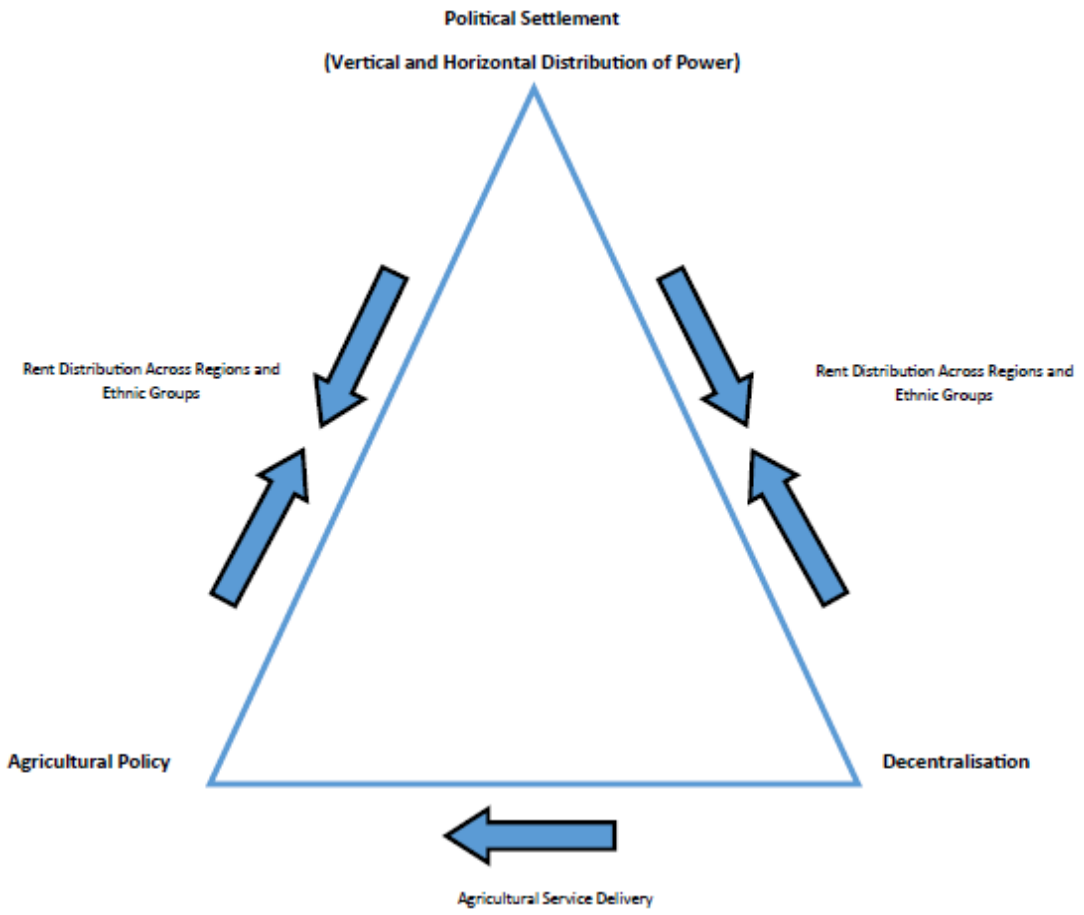

Figure 35.Conceptual Dissertation Theoretical Application
Source: Author

Summary of the Results

Traditionally, during Jomo Kenyatta and Daniel Arap Moi's regimes, it was predominantly intermediate groups and institutions that contributed to the holding power of the executive, that seemingly received agricultural rents, with disparate rent-seeking outcomes therefrom. The redistributive nature of the sector eventually led to a *de jure* horizontal decentralisation in the form of parastatals. The inefficiency of most of these institutions, which were debatably created for the benefit of varying ethic elites, contributed to the resultant decline of Kenya's economic prospects in the 1980s-90s (Bates, 1989). Hence, the period under Kibaki (2002-2013) was critical as it witnessed formal attempts to alter this framework with the SRA, which called for legal and institutional streamlining. However, due to the failure of collective action, mainly based on the grand coalition nature of the 2002-2012 era, it was only in 2013 when the changes envisioned in the SRA were actualised (Poulton and Kanyinga, 2014b). The AFA and Crops Acts (2013), emerged as reaction to the stalled public policy framework at the same time the new constitution was being implemented. This conversion of formal legal instruments provided an opportunity for

a wholly unique institutional framework. However, despite the institutional changes, the NCPB, the key agricultural institution controlling the most substantial amount of rents at the center had not been amalgamated into AFA, maintaining the patronage of old.

The debate on the implications of decentralisation is an on-going affair. The results gathered are testament to the notion that theoretical expectations within a clientelist political settlement are likely to produce varied outcomes. The distribution of power among groups within a respective context with its own unique formal and informal institutions shapes the results that are noted below.

Decentralisation

1. Kenya's decentralisation process is thoroughgoing. This was reinforced by evidence of P(political)>F(fiscal)A(administrative) decentralisation that evidenced genuine formal decentralisation (Falleti, 2005).

2. Governors emerged as the winners of the decentralisation process. Kenya demonstrated that autonomy along the national and subnational verticals was present. Governors consolidated their power by forming the Council of Governors (CoG), which acts as a unifying institution around subnational interests. The cost of these gains made governors subject to national salvos that sought to curtail their power, mainly led by senators, and impeachment proceedings among other processes utilised by MCAs at the subnational level.

3. There were no clear instances of overt national overreaching on county autonomy. The National Administration (NA) exists, which took over from the previous Provincial Administration (PA), however, it has not contested for political, fiscal and/or administrative duties outside a narrow mandate which focuses on security and the funding small welfare programs. Moreover, it is likely that if the NA overreached, the CoG would have publicly resisted them.

4. Kenya maintained its constitutional allocation to subnational units. The allocations were based on FY 2013/14 audited accounts, which discounted government expenditure and inflation. This had the effect of distorting allocations, which the national government manipulated on to present a distorted picture, that doubled actual outlays beyond constitutional requirements.

5. There are formal provisions that provide for public participation. In all counties the Office of the Auditor General (2016), noted that public participation was very limited. This point was corroborated by primary data which highlighted that most farmers had not participated in any form of public participation. In Bungoma and Nyeri most farmer groups did not take part in any form of public participation. A general theme, that most groups noted was ambiguity in the selection of groups that received benefits, with benefits being attributed to 'connected' groups and/or individuals, highlighting the prevalence of patron client relationships.

The Effect of Decentralisation in Counties

6. One of the most telling findings was the concentration of power around the governor and political staff with decision-making power. The top-down nature of resources allocation had led to a mantra where that elected officials were generally perceived as wanting 'to be seen to be doing'.[1]

7. Decentralisation created a division of labour. The division of responsibilities between national and counties was contested. Markedly, the 2010 constitution despite separating national and county responsibilities, did so in a manner that left discretion for interpretation of responsibilities. The response of this interpretation was the Crops, AFA, and KALR Acts (2013), which provided a legislative guideline on the separation of powers. This interpretation was immediately contested by the CoG. The result was a political compromise created by the Transitional Authority in 2015, referred to as the Unbundled Functions.

8. Agricultural budgets and expenditure had increased across all counties and within the researched counties in the period researched, FY 2013/14 to FY 2016/17. Development expenditure drove the overall increase. The types of development expenditure witnessed focused on construction and projects that involved cooperatives, youth, and women's groups. Farmers interviewed overwhelmingly claimed that it was the "connected" that were recipients of such programs. Additionally, comparative data from FY 2008/9 and FY 2014/15 corroborated statements regarding increases in development expenditure.

9. The previous benefits enjoyed by agricultural technical staff (Sub County Agricultural Officers (SCAOs)/Ward Extension Agricultural Officers (WEAOs)), such as fuel provisions, department transport, and Authority-to-Incur-Expenditure (AIEs), which previously allowed officers to comment/control their budget, were stripped in favour of 'heavy projects'. Centralisation of transport had a collateral effect of limiting access to vehicles and fuel allocations, which were apparently used more by political staff. However, it was also noted that more motorbikes had been purchased since 2013. There use and utility to the was criticized by aging frontline staff.

10. There were multiple claims by SCAOs and WEAOs that facilitation, operations, and extension had been sacrificed, reducing their effectiveness in the field and ability to interact with farmers, which they already were stretched to accommodate prior to 2013. Evidence of agricultural expenditure favouring development supported this position. However, County Directors of Agriculture (CDAs) and senior staff were more prone to claiming that agricultural services had improved, though this sentiment was held by a minority of participants.

[1] ISS63

11. MCAs played a prominent role in the distribution of rents. Being implicated as key to the selection of candidates for programs. Outside their legal ambit, MCAs were also witnessed as having taken a development role, despite formally being restricted to oversight. This affected the programs that were created, and the beneficiaries. Interviewed farmers claimed that a majority of the development programs offered by the county governments did not take into account their needs. A notable tension between MCAs and Governors was captured in their pursuit of a Ward Development Fund (WDF). The fund would ideally allocate every ward with revenue for expenditure. Thereby, arguably providing MCAs with revenue to run local ward-level programs, which is contrary to their mandate of oversight.

Creation of AFA and its Implications

12. AFA was a result of a decade (2002-2003) of public policy which finally came into fruition close to Kibaki's departure. It was found that AFA was created as a result of a political process that aligned with executive interests and powerful bureaucratic actors.

13. Previous decades had witnessed a decline in agricultural productivity, that was partly caused due to the decentralised nature of the sector that witnessed a plethora of local laws and multiple parastatals, which mostly were extractive and unproductive.

14. The Crops and AFA Acts (2013) created AFA. It was initially envisioned as a monolith, incorporating crops, livestock, and fisheries. However, this did not occur, as the livestock and fisheries subsectors, due to interests that opposed universal regulation, hindered their integration. AFA harmonized the legal framework while creating a single authority. It was considered to provide a more decisive response to agricultural crop requirements, especially after the Agricultural Sector Coordination Unit (ASCU) failed to truly be institutionalised. AFA was also a response to the interpretative discretion of the constitution, which permitted central government the opportunity to continue to largely direct and control the sector.

15. County representatives largely dismissed AFA as an attempt by the national government in the interference of 'their' sector. Subnational governments were eager to control the agricultural sector and takeover the operations of national institutions. However, the focus was on institutions and functions that generated rents. Initially, this infringed on AFA's regulatory licencing role, however, a lack of capabilities and low fees altered their course. Conversely, public agricultural firms, i.e. the sugar factories and Agricultural Training Centres (ATCs), were absorbed into county administration.

16. Moreover, within the crop sector the National Cereal and Produce Board (NCPB) was not included. Historically, NCPB was the key institution in the redistribution of agricultural rents, arguably the interests that surround it, and the political nature of maize production

'protected' it from the reforms. "It would have been too much of a victory".[2] The NCPB had maintained its pre-eminence as the key institution in the distribution of rents in the agricultural sector post 2013. The NCPB was the only crop parastatal, that despite being under the Scheduled crops AFA regulates, maintained its independence. It was observed that rents had shifted to the subnational level. However, despite this a significant amount of agricultural rents were still retained at the center, primarily being distributed by the NCPB.

17. Throughout the period of research AFA's regulations, the instruments required for the enforcement of its functions were not passed, hamstringing the organisation. Moreover, AFA failed to hire permanent staff during the period of research. Most, if not all senior staff were in temporary 'acting' roles. This inevitably meant that there was an ad hoc rotating board of directors which hampered political and technical capabilities. However, in 2019, the coffee regulations were passed as an initiative of the executive to revitalise the sector.

18. Seemingly without a legal provision, there was an informal separation of the Commodity Fund, AFA's financial the instrument that was meant to provide farmers with capital. AFA officials claimed that it was just "personal differences",[3] however commodity fund staff generally stated that the separation occurred to reduce bureaucracy, and "enhance efficiency".[4] In 2016, they established a separate board, referring to themselves as a separate agency of the Ministry of Agriculture, Livestock, and Fisheries (MOALF). Due to the formal setbacks, the commodity fund, during the course of research, only supported the sugar and coffee sectors. This was based on the contributions the sectors made when their respective funds were amalgamated into AFA.

Service delivery and extension

19. The increases in development expenditure in agriculture did not alter service delivery provisions. The 1970s, and Kibaki years (2002-2013), were evidenced as the best periods in for the delivery of agricultural services.

20. Extension across both county staff and farmer focus groups was considered to have deteriorated post-2013. Moreover, staffing numbers had stagnated since 2013 due to the transition to a devolved system of governance. Hiring restrictions had compounded the perceived decline of services. Absorbing previous national staff into counties, and Regulation 25.1(b) of the Public Finance Management (County Governments) Regulations, 2015, set the limit of the county government's expenditure on wages and benefits at 35 per cent of the total revenue may have contributed to the shortage of agricultural support staff.

21. The Agricultural Sector Development Strategy (ASDS) (2008) did not have an operational framework that incorporated and/or anticipated decentralisation. This meant that overall

[2] ISS47
[3] ISS53
[4] ISS62

agricultural policy was dysfunctional, leading to numerous interpretations with no enforceable monitoring and evaluation mechanisms.

Kenya's Comparative Decentralisation

22. The genesis of the decentralisation process, especially regarding the groups that participated in the design of an instrument proved pivotal to outcomes. Kenya's process towards decentralisation was a negotiation with most of the relevant political actors. In Ghana and Uganda, the process was initiated and executed by central national parties with limited input from opposition groups.

23. In comparison to Ghana and Uganda, Kenya generally scored better regarding political and administrative decentralisation. Fiscal decentralisation allocations were proportionally similar across the states, however the autonomy on how the resources were allocated/expended was better in Kenya.

Voting

24. The voting of local representatives (Governors and MCAs), had provided the voters with the opportunity to vote out non-performing elected officials, arguably enhancing accountability. Though not all negative political actions led to a loss of office and/or popularity and vice versa.

25. The accountability thresholds for subnational elected officials were not the same. The basis on which voters voted for governors was found not to be identical to their preferences for MCAs. Most famers focus groups claimed that they voted at the subnational level for governors predominantly on the basis of their development agenda, and secondly, on their party affiliation. MCAs were voted for primarily based on their party affiliation, and secondly their service delivery. Overall, party affiliation was the most prominent variable in farmers voting decisions. This contrasted with most county officials who felt that farmers voted based on ethnicity, clan, and party before notions of service delivery were considered.

Discussion of the Results

Overall, it is a political calculus that usually determines the initiation, provisions, implementation, and outcomes of a decentralisation process. In the Kenyan context, what was unique, were the circumstances under which the process occurred. Kenya's decentralisation was an unfinished story. Despite decentralisation being part of the overarching political narrative since independence, with *majimbo*, it had never been truly addressed until post-election conflict compelled elite actors to re-evaluate how power would be distributed (Ghai, 2008). The result as confirmed by the findings, was thoroughgoing. Political, fiscal, and administrative decentralisation had occurred, however, the expected theoretical benefits from decentralisation were largely not witnessed in the research conducted on the agricultural sector.

The Kenyan agricultural sector had remained a key contributor to GDP, exports, and labour share. Agriculture was intricately linked to macroeconomic outcomes. However, Kenya's reliance on agriculture had not been matched by its public expenditure in productive economic activities within the sector, despite urban bias not being a significant feature (African Union Commission

(AUC), 2010). Moreover, the natural topography and ethnic groups that had dominated various value chains, playing a significant role in the distribution of rents had broadly not created an environment where a structural transformation of the economy, led by increased agricultural productivity would likely occur.

So, what does this all mean? How does this research contribute to assisting policymakers engage in meaningful debate and public policy development? Noting the work done by Khan (2010), on political settlements and his appreciation of formal and informal institutions is a highly useful lens to consider Kenya's distribution of formal and informal power among groups. It is informative as it assists in providing a rationalisation regarding likely policy outcomes. Namely, that political settlements reflect power in society. In the development of public policy, if actual formal and informal power are not jointly considered, it is likely that attempts at institutional reform will provide unintended outcomes, which will continue to perpetuate the reality of power, despite the notional deadweight welfare loss.

AFA was typical example of a formal institution that addressed deep-seeded required reform, however, due to the misalignment of formal and informal redistribution of power, it largely failed to achieve its objectives. Highlighting, that an institution will be modified, formally and informally to achieve acceptable distribution of benefits, altering expected efficiency outcomes (Khan, 2012). Hence, arguably the outcome of this theoretical regulatory monolith, has been the fate of a diminished regulator.

To effect meaningful policy changes in the agricultural sector, which is also historically recognised as the cornerstone to a rapid transition out of poverty Timmer (2009), requires an effective industrial policy, and central to this path, would be the role of the state (Whitfield et al., 2015). It was evidenced that Kenya's decentralisation is thoroughgoing. However, decentralisation in the agricultural sector had politicized decision making emphasizing patron client relationships at the subnational level as evidenced by the forms of expenditure, with a majority of the programs having low broad-based impact, and not primarily benefiting smallholder farmers. Though the potential for meaningful policy change existed, the prevalent distribution of power inhibited productivity.

Furthermore, decentralisation has also provided new checks and balances along national-county, and within county verticals (Cheeseman et al., 2016). These accountability mechanisms especially in terms of voting candidates out of office, restrained national interference, while ensuring national oversight in subnational operations. The primary recognised concern was the failure of public participation, despite constitutional and the County Government Act (2014), providing numerous provisions for its enforcement.

The existence of formal institutions dedicated to the promotion of public participation highlights an opportunity to fundamentally alter subnational distributive outcomes. It was recognised that to change outcomes in a decentralised context, would require the enforcement of institutions that provide voters with the organisational ability, information dissemination, and relevant entry points to contribute to local policy development. This is likely to be resisted by local governors and

MCAs, however, they do not draft national laws. Enhanced public participation and civic education within the context of a thoroughgoing decentralisation context, is likely to lead to more responsiveness, with programs that address broader local needs. The effect would possibly incrementally alter rent-seeking outcomes, as development programs would require additional input outside local elites and intermediate groups interests. Notably, enhanced civic education, the organisation of farmer cooperative groups (and other derivatives of representation), and the role of MCAs, as merely oversight, and not implementers, needs to be redressed.

Relationship of the current study to prior research

This dissertation managed to advance understanding regarding Kenyan agricultural public policy, political economy, and African decentralisation literature. It also contributes further understanding to political settlement literature.

From an agricultural public policy perspective the dissertation picks up from where Poulton and Kanyinga (2014), left off. It explores the institutional changes after 2012 with the resultant creation of AFA and the implementation of the constitutional provisions, which centralised the sector in a period of devolution. This leads to the central thesis of the dissertation, which analyses the role of decentralisation primarily in the agricultural sector. There was limited secondary data on AFA, therefore the study sought to highlight the formal institutional changes that had occurred at the national and subnational level since 2013.

Since Cabral (2011), and Dickovick and Riedl's (2010), comparative studies on African decentralisation on the continent, there had been no significant update, with most literature confined to single states and/or a smaller sample. Therefore, this presented an opportunity to contribute to the understanding of decentralisation literature in Kenya, especially regarding agriculture, with two comparators, as a basis of locating Kenya's decentralisation among its peers.

Ndegwa's (2002), comparative stocktaking survey presented the largest sample of benchmarked African states and their measured level of decentralisation. Since, there have been few, and certainly no comparative studies, presented on Kenyan post 2013 decentralisation against other African States. The dissertation sought to contribute to the overall understanding on the progress of decentralisation in Kenya, while highlighting the unique aspects of its framework, which was arguably, a result of a consultative process with key political stakeholders.

In terms of agricultural political economy, the study also used a political settlements lens. Building on the work of Behuria et al. (2017) and Khan (2018b), in investigating the way power operates among groups, the role of rents in the net distribution of benefits towards holding power, and their influence on institutional outcomes, in rationalising patron client relationships. The study did not advance the subject matter; however, it demonstrated the utility of political settlement theory when analysing decentralisation outcomes in a developing country context, where the outcomes of a process are influenced largely by informal modifications to orthodox theoretical expectations.

Finally, Gathii and Otieno (2018), assessed that Kenya's devolution process recognised that there are two growing predominant narratives regarding decentralisation. As mentioned in Chapter I,

D'Arcy and Cornell's (2016), focus on the shift in patronage and corruption downstream, whereas, Cheeseman et al. (2016), predominantly consider the new vertical checks and balances. This study also recognised the role of stability, and additionally explored how decentralisation had centralised rents at the subnational level. The combined narratives presented a clear analysis of the Kenyan agricultural sector.

Recommendations for Future Research

The Building Bridges Initiative

Decentralisation is an ongoing process which reflects power in society (Ahmad et al., 2005). The outcomes of the process are relevant to garner further understanding around governance strategies which may be applicable in generating positive institutional outcomes. Since 2017, there has been a concerted effort by leading politicians in Kenya to revaluate the formal institutional nature of decentralisation in Kenya. The Building Bridges Initiative (BBI) was a result of the 'Handshake', between Uhuru Kenyatta and Raila Odinga after the 2017 elections. The Handshake was referred to as a means of bringing peace and aligning actors towards the betterment of Kenya as a whole. The primary outcome therefrom, has been an informal alliance with Uhuru and Raila, to the chagrin of William Ruto. Raila's Orange Democratic Party (ODM) since March 9 2018, have worked closer with as government, bringing into question their role as an opposition party.

The BBI report will be released to the public later in 2019. It is likely that there will be a referendum therefrom due to the constitutional reforms that are being sought. So far what is known is that the report will recommend that Kenya adopt a parliamentary system with an executive prime minister in charge of running the affairs of government, expand the executive to avoid 'conflict' every election cycle, and likely alter county responsibilities (Ochieng, 2019).

It would be prudent to investigate how BBI alters the current decentralisation framework, and the likely outcomes of the process nationally, within subnational units, and in various sectors.

Agricultural Sector Growth and Transformation Strategy

In the agricultural sector there has been a significant change in national policy with the repealing of the ASDS in favour of a new framework, the Agricultural Sector Growth and Transformation Strategy (ASGTS) 2019-2029. This ambitious strategy within the context of decentralisation should be analysed, especially if the formal institutional framework is altered by constitutional amendments in the BBI.

Moreover, the ASGTS created the Agricultural Transformation Office (ATO), which resembles the former Agricultural Sector Coordination Unit (ASCU). The ATO is answerable to the Cabinet Secretary of the Ministry of Agriculture, Livestock, Fisheries, and Irrigation (MoALF&I). This process has been largely inclusive incorporating relevant stakeholders with less opposition than ASCU experienced. The ATO is overseen by a central ministry that since 2018 incorporated irrigation. Centrally there is a clear vertical line of reporting, however, how this will operate in subnational units will present a unique opportunity to research the sector further.

Baseline Survey Agricultural Data

A key limitation of this research was the sample size in terms of respondents and the number of counties that were researched. A broader study should be conducted to capture experiences of farmers and the way subnational agricultural sectors operate post-2013, and maybe even post-BBI referendum in all 47 counties. Moreover, a more extensive study should seek to provide a wider appreciation of the effect of decentralisation on the agricultural sector and expand the political settlement analysis to other devolved sectors by the creation of national baseline data. This would assist with future comparability, valid internal measures, setting an unprecedented wealth of information, for research, policy development and private investment.

Note, the incorporation of the ASGTS adds another layer of analysis which would arguably lend to some meaningful results. Notably, the ASGTS has more visible monitoring and evaluation mechanisms, however, the implementation of the same will be demonstrated in time.

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APPENDIX

APPENDIX I: Sample of research questions at Phase I, II and III

Phase I & II Research Questions

1. **What is the Genesis of the Agricultural Food Authority (AFA)?**
   i. Why was the AFA created?
   ii. Why was the sector centralised in a period of devolution?
   iii. How was passage of the Crops Act achieved, given the lack of progress over the previous decade since SRA??
   iv. Why were some key parastatals not incorporated into the AFA (e.g. NCPB)?
2. **How has the AFA changed the agricultural sectoral structure?**
   i. What is the boundary between Center and Local responsibilities?[5]
   ii. How do you see this boundary being resolved?
   iii. How has the structural change (brought on by the Constitution and AFA) altered the rent distribution to former parastatals?[6]
   iv. Has rent-seeking been altered under the new Agricultural Crop Sector?
      i. Historically which groups/institutions (formal and informal) are responsible for rent-seeking in the agriculture?
      ii. Who has benefited positively from the new rent-seeking structure?
      iii. Has the rent-seeking 'shift' created a better more productive agricultural sector?
   v. Kenya has been undergoing a relative change in agricultural productivity in various sectors, however the general trends remain the same – what has the Ministry done to address that?
   vi. In your opinion do you believe Kenya will have increasing agricultural productivity in the years to come? And if so, how will this be achieved?

Phase III Research Questions (Farmer Focus Groups)

1. What do you grow?
2. Which agricultural public services do you receive (from local and national government)?
   i. Which activities (specific crops, livestock, and fisheries) do they cover?
3. Which of these services do you value the most from local or national government?
4. Historically how has public agricultural service delivery fared (1970s-2018)?
   ii. When was service delivery best and why?
5. Has there been a change in public service delivery since Devolution?
   i. What changed?
   ii. How often do you see public extension staff since devolution in comparison to what was occurring prior to devolution?

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[5] Constitution 2010, Fourth Schedule - National Government responsible for Agricultural Policy. Whereas County Governments functions and powers are "agriculture, including: Crops and animal husbandry; livestock sale yards; county abattoirs; plant and animal disease control; and fisheries."

[6] At this stage it will be critical for the interviewer to define rents, rent distribution and rent-seeking (in the context of a semi-structured interview) in order to ensure that the participants understand the concept and are able to answer the question adequately.

   iii. How has the nature (and quality) of your interaction with extension changed since devolution?
6. Which county agricultural developmental programs have been delivered in your area since 2013?
   i. Did these projects address priorities/needs in your village?
   ii. How many people to part in/benefited from these projects?
   iii. Are the projects still ongoing?
   iv. Which of these projects was beneficial and why?
7. Which public participation exercises are you aware of?
   i. Have you attended in any involving agricultural issue? (individual focus)
   ii. Have you spoken in a public participation forum?
   iii. Do you believe yours and other farmers contributions were considered in the final plan/budget?
   iv. Do you believe these exercises are an effective way of gathering the priority needs of average farmers?
8. In your opinion, do all farmers regardless of their socio-political-economic backgrounds receive the same benefits/treatment from the government?
9. On what basis did you vote for Governor?
   i. Where does service delivery fit into this?
   ii. Where does agriculture fit into this?
   iii. How important was track record?
10. On what basis did you vote for MCA?
   i. How important was track record?
   ii. Where does service delivery fit into this?
   iii. Where does agriculture fit into this?

APPENDIX II: Chapter V Supplementary Research Methodology

FY 2008/9 and FY 2007/8

The information that informed government agricultural expenditure in 2008/9 was derived from Recurrent and Development budgets (sourced from Kenyan government data). The information that was provided specifically dealt with districts over the period in question. Moreover, what was captured the forms of agricultural expenditure that were occurring in the districts. The segregation and analysis of the data also provided an insight into donor and national funding shares within districts. To ensure that a comparison could be made between FY 2008/9 and FY 2014/15, the previous districts that currently geographically are part of counties were included to enhance reliability. In FY 2014/15 in all the counties (Bungoma[7], Kiambu[8], Kitui/Mwingi[9], Nyeri[10], Homa

[7] Bungoma county consists of the previous districts of Bungoma North, Bungoma East, Bungoma South, Bungoma West, and Mt Elgon.
[8] Kiambu county consists of the previous districts of Kiambu East, Kiambu West, Thika, and Gatundu.
[9] Kitui county consists of the previous districts of Kitui Central, Kitui West, Kitui East, Kitui South, Kitui Rural, Mwingi North, Mwingi Central and Mwingi West.
[10] This county was not considered due to the incomplete data sets. This despite a concerted effort to resolve the matter.

Bay/Rachuonyo[11] and Uasin Gishu[12], the data was derived from the World Bank Boost (World Bank, 2018, 2002).

The sources of the data on the Ministry of Agriculture Job categories, total salary costs and numbers were derived from (Owuor et al., 2010, 2009; Sikei et al., 2008). This Future Agricultures series was limited to the 2007/8 period. Therefore, the details of county staffing in FY 2014/15 were assumed using the following technique based on suggestive information: The Ministry of Agriculture data set various job group and bands in relation to Job group and Annual salary cost (*table 1)*

District Ministry of Agriculture Data

2007/08

Job Group	Min	Max	Mid-point	Annual Salary Cost
G	9951	14415	12183	168125
H	11622	15588	13605	187749
J	13035	17784	15410	212651
K	19445	26349	22897	315979
M	27480	37008	32244	444967

Table 1.

Data was available for Rachuonyo, Nyeri South, Eldoret West, and Mwingi. Notably, these districts did not cover the entire future geo-political area that after 2013 became the counties. Therefore, in every case, a specific factor, as recorded in *table 2* was applied to reflect the other districts that were eventually amalgamated. This was based on population, size of county, agricultural output and an assumption that every district would have a similar number of staff, e.g. Rachuonyo has two significant districts (Rachuonyo and Homa Bay), prior to becoming Homa Bay county. Therefore, in the calculations for salaries, after working out the total, the same was multiplied by two (2) to reflect what arguably is a closer representation to the recurrent expenditure that occurred in 2007/8. The 'Total' in this case became 22,492,855 as captured in *table 2*.

Category	**Job Group**	**Number**	**Total Salary Cost**
Technical Staff (District)	M	4	1,779,869
Technical Staff (District)	K	3	947,936
Administrative Staff (District)	C-H	7	1,176,878
DAEO	K	4	1,263,914
Technical Staff (Division)	J	20	4,253,022
Administrative Staff (Division)	C-H	2	336,251
FEWs	J	7	1,488,558
TOTAL		47	11,246,427

Table 2.

[11] Homa Bay county consists of the previous districts of Rachuonyo North and South, Homa Bay, Suba, Ndhiwa, and Mbita
[12] Uasin Gishu county consists of the previous districts of Turbo, Soy, Ainabkoi, Moiben, Kessess, and Kapseret

Included in the multiplier rationale was also an inbuilt acknowledgement that the data from 2008/9 was limited to the State Department of Agriculture, excluding the State Departments of Fisheries and Livestock. This limitation was corrected for, albeit also acknowledging that is this an informed assumption, by a multiplier of two (2) against the total of salaries and recurrent national costs for the year, as captured in *table 3*. The reason that it was not a multiplier of three (3) is due to the irrelevance of fisheries in all the districts expect for Rachuonyo, which is by Lake Victoria. However, the livestock sector though not dominant was a factor in most of the other counties. Hence, the most appropriate application was the selection of a multiplier of two (2), as most counties would only require two State Departments.

Expenditure	Financial Year	District/County			
			Recurrent	Development	Total
District/National	FY 2008/9	Bungoma	12,501,285	26,244,560	38,745,845
Donor	FY 2008/9	Bungoma	0	8,963,545	8,963,545
Combined / Total excluding salaries	FY 2008/9	Bungoma	12,501,285	35,208,105	47,709,390
+ Salaries	FY 2008/9	Bungoma	36,538,295		36,538,295
Total - Min of Agric (Bungoma)	**FY 2008/9**		**49,039,580**	35,208,105	84,247,685
+ Ministries of Livestock, Fisheries, Crops (assume (collectively) same as Agriculture)	FY 2008/9		49,039,580	35,208,105	84,247,685
Combined Ministries (Est)	**FY 2008/9 (2014/15 equiv)**	**Bungoma**	**98,079,159**	70,416,210	168,495,369
*** CPI**					
Combined (inflated by CPI)	**FY 2008/9 (2014/15 equiv)**	Bungoma	156,926,654	112,665,936	269,592,590
*** GoK**					
Combined (inflated by GoK expenditure)	**FY 2008/9 (2014/15 equiv)**	Bungoma	**269,877,676**	193,759,442	463,637,118
County Ministry of Agriculture, Livestock and Fisheries	**FY 2014/15**	**Bungoma**	**282,330,850**	397,687,772	680,018,623
District/National	FY 2008/9	Kiambu	10,759,870	14,848,537	25,608,407

Donor	FY 2008/9	Kiambu	0	10,506,212	10,506,212
Combined	FY 2008/9	Kiambu	10,759,870	25,354,749	36,114,619
Salaries	FY 2008/9	Kiambu	48,717,726		48,717,726
Total			59,477,596	25,354,749	84,832,345
Ministries of Livestock, Fisheries, Crops	assume (collectively) same as Agriculture		59,477,596	25,354,749	84,832,345
Combined Ministries (Est)	FY 2014/15 equiv	Kiambu	118,955,192	50,709,498	169,664,690
Combined (inflated by CPI)	FY 2014/15 equiv	Kiambu	190,328,307	81,135,197	271,463,504
Combined (inflated by GoK expenditure)	FY 2014/15	Kiambu	327,320,820	139,533,838	466,854,658
County Ministry of Agriculture, Livestock and Fisheries	FY 2014/15	Kiambu	353,447,115	151,079,973	504,527,088
District/National	FY 2008/9	Nyeri	5,796,770	4,386,880	10,183,650
Donor	FY 2008/9	Nyeri	0	4,602,538	4,602,538
Combined	FY 2008/9	Nyeri	5,796,770	8,989,418	14,786,188
Combined	FY 2014/15 equiv	Nyeri	9,274,832	14,383,069	23,657,901
County Ministry of Agriculture, Livestock and Fisheries	FY 2014/15	Nyeri	250,066,572	67,025,082	317,091,654
District/National	FY 2008/9	Eldoret East and West	5,194,614	25,000,000	30,194,614
Donor	FY 2008/9	Eldoret East and West	0	4,869,452	4,869,452
Combined	FY 2008/9	Eldoret East and West	5,194,614	29,869,452	35,064,066
Salaries	FY 2008/9	Eldoret East and West	25,243,360		25,243,360
Total			30,437,974	29,869,452	60,307,426

Ministries of Livestock, Fisheries, Crops	assume (collectively) same as Agriculture		30,437,974	29,869,452	60,307,426
Combined Ministries (Est)	FY 2008/9	Eldoret East and West	60,875,948	59,738,904	120,614,852
Combined (inflated by CPI)	FY 2014/15 equiv	Eldoret East and West	97,401,517	95,582,246	192,983,764
Combined (inflated by GoK expenditure)	FY 2014/15 equiv	Eldoret East and West	167,508,160	164,379,433	331,887,594
County Ministry of Agriculture, Livestock and Fisheries	FY 2014/15	Uasin Gishu	280,919,862	104,718,311	385,638,173
District/National	FY 2008/9	Homa Bay/Rachuonyo	8,062,215	10,886,000	18,948,215
Donor	FY 2008/9	Homa Bay/Rachuonyo	0	11,497,959	11,497,959
Combined	FY 2008/9	Homa Bay/Rachuonyo	8,062,215	22,383,959	30,446,174
Salaries	FY 2008/9		22,492,855		22,492,855
Total			30,555,070	22,383,959	52,939,029
Ministries of Livestock, Fisheries, Crops	assume (collectively) same as Agriculture		30,555,070	22,383,959	52,939,029
Combined Ministries (Est)	FY 2008/9	Homa Bay/Rachuonyo	61,110,139	44,767,918	105,878,057
Combined (inflated by CPI)	FY 2014/15 equiv	Homa Bay/Rachuonyo	97,776,223	71,628,669	169,404,892
Combined (inflated by GoK expenditure)	FY 2014/15 equiv	Homa Bay/Rachuonyo	168,152,567	123,184,801	291,337,368
County Ministry of Agriculture, Livestock and Fisheries	FY 2014/15	Homa Bay/Rachuonyo	184,972,039	99,230,889	284,202,928
District/National	FY 2008/9	Kitui/Mwingi	10,723,026	38,134,250	48,857,276
Donor	FY 2008/9	Kitui/Mwingi	0	47,135,810	47,135,810

Combined	FY 2008/9	Kitui/Mwingi	10,723,026	85,270,060	95,993,086
Salaries	FY 2008/9	Kitui/Mwingi	38,010,561		38,010,561
Total			48,733,587	85,270,060	134,003,647
Ministries of Livestock, Fisheries, Crops	assume (collectively) same as Agriculture		48,733,587	85,270,060	134,003,647
Combined Ministries (Est)	FY 2008/9	Kitui/Mwingi	97,467,175	170,540,120	268,007,295
Combined (inflated by CPI)	FY 2014/15 equiv	Kitui/Mwingi	155,947,479	272,864,192	428,811,671
Combined (inflated by GoK expenditure)	FY 2014/15 equiv	Kitui/Mwingi	268,193,721	469,263,519	737,457,240
County Ministry of Agriculture, Livestock and Fisheries	FY 2014/15	Kitui/Mwingi	317,118,014	850,295,928	1,167,413,941

Table 3.

Expenditure	**Financial Year**	**District/County**			
			Recurrent	Development	Total
District/National	FY 2008/9	Bungoma	12,501,285	26,244,560	38,745,845
Donor	FY 2008/9	Bungoma	0	8,963,545	8,963,545
Combined / Total excluding salaries	FY 2008/9	Bungoma	12,501,285	35,208,105	47,709,390
+ Salaries	FY 2008/9	Bungoma	36,538,295		36,538,295
Total - Min of Agric (Bungoma)	**FY 2008/9**		**49,039,580**	35,208,105	84,247,685
+ Ministries of Livestock, Fisheries, Crops (assume (collectively) same as Agriculture)	FY 2008/9		49,039,580	35,208,105	84,247,685
Combined Ministries (Est)	**FY 2008/9 (2014/15 equiv)**	**Bungoma**	**98,079,159**	70,416,210	168,495,369
* CPI					
Combined (inflated by CPI)	**FY 2008/9 (2014/15 equiv)**	Bungoma	156,926,654	112,665,936	269,592,590
* GoK					
Combined (inflated by GoK expenditure)	**FY 2008/9 (2014/15 equiv)**	Bungoma	**269,877,676**	193,759,442	463,637,118
County Ministry of Agriculture, Livestock and Fisheries	**FY 2014/15**	**Bungoma**	**282,330,850**	397,687,772	680,018,623

Table 4.

The final inflation that was applied adjusted for inflation to draw out a more accurate comparison between FY 2008/09. The Consumer Price Index (CPI) was applied to the Estimated Combined Ministries to benchmark inflation between FY 2008/9 and FY 2014/15, which was calculated to be at a rate of 1.6%. This figure was used to multiply the values in the estimated Combined Ministries. The final inflation took into account the Government of Kenya's (GoK) expenditure, which was calculated at a rate of 2.75 against the estimated Combined Ministries Values.

UASIN GISHU						
		2008/**2009**	2008/**2009**	2014/**2015**	2014/**2015**	2014/**2015** - Inflation adjusted
Recurrent Expenditure, County Ministry of Agriculture, Livestock and Fisheries	Salaries	50,486,720	60,875,948		280,919,862	179,318,467
	Recurrent Spending (District/National)	10,389,228				
Development Expenditure, County Ministry of Agriculture, Livestock and Fisheries	Public Investments (District/National)	50,000,000	59,738,904		104,718,311	66,844,426
	Donor-funded Projects	9,738,904				
Total Expenditure, County Ministry of Agriculture, Livestock and Fisheries		**120,614,852**	**120,614,852**	**385,638,173**	**385,638,173**	**246,162,893**
Inflation, average consumer prices, percentage change (IMF, WEO, April 2019)		**10.55**			**6.58**	

Table 5.

These adjustments provided for the clearest comparator between the two financial years in question. The *table 6* below provides an explanation on what results were derived.

Counties	Basic: Outcome	Comments
Bungoma	FY 2014/15 funding more generous primarily to development. Recurrent expenditure is almost identical.	Due to the larger Population in Bungoma, the lack of data in relation to actual staffing numbers the manner in which data was derived as to 'total staff costs' was to add a factor of *3 (due to being 1.5 times larger than Uasin Gishu) to the overall average.
Kiambu	8% more generous in both recurrent and development expenditure. This is uniform across the values.	Kiambu was made up of 4 districts that all got well-funded. Within the sample group it had the highest population. Therefore, there was an assumption made that in relation to salaries, the average from the data acquired* was multiplied by a factor of 4. This was the basis of the total cost (x19*4) Even though it was *4 there was still an 8% increase across the board in FY 2014/15.
Kitui	23,300000 was reduced from the DANIDA fund for Kitui, due to the provision that was being funded (Roads and bridges) which is not comparable in FY 2014/15 16,780,000 was also deduced from the roads and bridges fund in Mwingi district. Significant increase in development expenditure from 2008/9 – 2014/15 at 81%.	Salaries were *3 due to the separation of the districts. Despite significant donor expenditure in FY 2008/9 the funding in 2014/15 is substantially more generous, with the most significant increase in development expenditure.
Homa Bay	FY 2014/15 development expenditure was lower than in FY 2008/9. Recurrent is hard to grasp, though the two are very similar.	Salaries were increased by a factor of *2 – Suba district was not omitted due to the size and agricultural activities that were considered. The findings around recurrent expenditure depend on how Suba is treated. If county salaries are assumed to be equivalent to *2 Rachuonyo salaries in 2008/9 then the

		2014/15 expenditure is 10% more generous than the 2008/9 equivalent. If county salaries are assumed to be equivalent to *2.5 or *3, Rachuonyo salaries in 2008/9 then the 2014/15 expenditure is less generous than the 2008/9 equivalent. Suba and Homa Bay are heavily dependent on fishing.
Nyeri		Nyeri was not included in the sample due to the incomplete data sets that rendered a comparative analysis unhelpful.
Uasin Gishu	FY 2014/15 funding more generous primarily on the recurrent expenditure. Development expenditure less generous. Notably, later years the funding in Uasin Gishu expenditure from FY 2014/15 increasers substantially	Development expenditure less generous but this increases dramatically between FY 2014/15 – FY 2016/17. FY 2008/9 exclude expenditure on PDA Rift Valley. Overall conclusion is reserved, if PDA expenditure is included in FY 2008/9 (it's not clear cut – sensitivity – if you change this you get a different result).
Overall	It was found that funding in FY 2014/15 is more generous than in FY2008/9, however it is not highly significant. Bungoma and Kitui do present the largest changes in expenditure with a 47 and 58% increase respectively, with the increases derived from development expenditure.	The findings are based on the assumptions that have been made in relation to the figures. The increases in development expenditure demonstrate counties ability to channel money into sectors that they can more readily control. The same autonomy in relation to spending and the provision of employment does not exist. Firstly, counties had to take onboard old national staff. Additionally, the proportion of recurrent to expenditure is set by the national government, to ensure that counties spend more resources on providing 'development' and services over self-financing.

		Under devolution, most counties spent more money on agriculture in both recurrent and more prominently in development. Shows the power of local political decisions in decentralisation

Table 6.

APPENDIX III: Uasin Gishu Development Expenditure FY 2013/14 – FY 2017/18

Financial Year	Project Name	Money Allocated (Ksh)	Project Location	Beneficiaries	Project Status
2013/14	Horticultural Business Strategy	30M	All Wards	30 Youth Groups	Not Completed
	Rehabilitation of Cattle Dips	30M	All Wards		Not Completed
2014/15	Horticultural Business Strategy	30M	All Wards	30 Youth Groups	Completed
	Inua Mama Na Kuku Phase I	10M	Countywide	450 Women Groups	Completed
	Feed Mixers	8M	Ainabkoi, Moiben & Soy Sub Counties	3 Farmer Cooperative Society (FCS)	Completed
	Eldoret slaughterhouse repair	1M	Eldoret Town	Citizens	Completed
	Dips rehabilitation/construction	30M	Countywide	164 Dips	Completed
2015/16	*Inua Mama Na Kuku* Phase II	25M	Countywide	705 Women Groups	Completed
	Milk Cooler Structures	**228.5M**	Countywide	46 FCS	**Ongoing**
	Soil lab	6M	Countywide	AMS	Completed
	Kijana na Acre programme Phase I	28.9M	Countywide	139 Youth Groups	Completed
	Burnt Forest slaughterhouse construction	875,886	Burnt Forest	Citizens	Ongoing
	Turbo slaughterhouse construction	176,633	Turbo	Citizens	Completed

	AI subsidy programme	10M	Countywide	Dairy Farmers	Ongoing
	Dips rehabilitation/Construction	24.6M	Countywide	149 dips	Completed
	Construction of fish hatchery	10M	University of Eldoret	Fish Farmers	Completed
	Distribution of fish fingerlings	3M	Countywide	Fish Farmers	Completed
	Purchase of feed ingredients to fish feed production plan	600,000	Mugundoi Centre – Kesses	Fish Farmers	Completed
2016/17	Demo Plots	2.5M	Each Ward	30 FCS	Completed
	Upgrading of Inua Mama Na Kuku Phase II	4M	Kipkenyo, Kamagut, Kapkures, Kapsaos, & Segero/Barsombe	319 Women Groups	Completed
	Construction of Cereal Stores	15M	Kapseret/Simat Ward	Tuiyo FCS	On-going
	Construction of Ware Potato Stores	2.83M	Tarakwa Ward, Aniabkoi Olare Ward	2 FCS	Completed
	Construction of Diffuse Light Stores	1.2M	Tarakwa Ward	1 FCS	Completed
	Renovation of Stores	3M	Tembelio Ward Kaptuli Kamagut Ward Sosiani	2 FCS	Completed
	Completion of Stores	4M	Mafuta	1 FCS	Ongoing
	Maize seed subsidy program	17M	Countyf wide	49 FCS	Completed
	Kijana na acre Phase II	17M	County wide	69 Youth Groups	Groups identified (Funds to be released in 2017/18
	Disease Control	25M			Continuous
	Tick control	30.5M	Countywide	199 Dips	Ongoing
	AI subsidy programme	13M	Countywide	23 FCS	Ongoing

	Turbo slaughterhouse	3.5M	Turbo	Citizens	Completed
	Construction of Fish Cages	3M	Kesses, Soy and Ziwa Dam	Fisher folks, youth groups around the dams	Competed
	Completion of Fish Hatchery	5M	University of Eldoret	All fish farmers in the County	Completed
2017/18 **Planned Projects**	Restocking Fishponds	3M	Countywide	Citizens	Ongoing
	Construction of Demonstration ponds	8M	Countywide	Fish Farmers	Ongoing
	Completion of Milk coolers	**59.5M**	**Countywide**	**Dairy Farmers**	**Ongoing**
	Completion of Cereal Stores	19M	Various Locations	Cereal Farmers	Ongoing
	Promotion of High Value Crops		Countywide	Horticultural Farmers	Ongoing
	Completion of Slaughter slabs	5M	Turbo	Citizens	Ongoing
	Purchase of mobile driers		Countywide	Cereal Farmers	Ongoing
	Construction of Cold stores for horticultural produce	9M	Ainabkoi	Horticultural Farmers	Ongoing
	Purchase of Machinery	**90M**	AMS	Citizens	Ongoing
	Construction of Dam for Irrigation	4M	ATC	ATC	Ongoing
	Expanding AI Services	23M	Countywide	Dairy Farmers	Ongoing
	Disease Control	23M	Countywide	Livestock Farmers	Ongoing
	Acaricide	40M	Countywide	Countywide	Ongoing

Summary of Development Projects since 2013-2017

- From FY 2013/14 – FY 2017/18:
  - 268 youth groups allocated Ksh 109 Million
  - 1,474 women's groups allocated Ksh 39 Million
  - 128 Cooperatives allocated Ksh 296 Million

- 'Citizens' allocated Ksh 2,642,314 Ksh Million
- Dairy farmers allocated 93 Ksh Million
- Fish farmers allocated 26.6 Ksh Million
- Cereal farmers allocated 19 Ksh Million
- Horticulture allocated farmers 9 Ksh Million
- Livestock allocated farmers 23 Ksh Million
- Horticulture allocated 9 Ksh Million
- Agricultural Technical Colleges allocated Ksh 4 Million
- Capital intensive development: 55.3 Million allocated to Dips

APPENDIX IV: List of Interviewees

Phase I Interviewees

Number	Names (redacted)	Role	Code
40	[redacted]	FAO Head of Policy Unit	ISS40
41	[redacted]	CoG Agricultural Committee Secretariat	ISS41
42	[redacted]	CoG Agricultural Committee Secretariat	ISS42
43	[redacted]	Journalist/Farmer	ISS43
44	[redacted]	Head of Corporate Relations at AFA	ISS44
45	[redacted]	Researcher Tegemeo	ISS45
46	[redacted]	Head of Corporate Communications at AFA	ISS46
47	[redacted]	Former Head of Agricultural Sectoral Coordination Unit	ISS47
48	[redacted]	Chairman of the Agricultural Stakeholders Forum	ISS48
49	[redacted]	AFA Fibre Crop Directorate Officer	ISS49
50	[redacted]	AFA Fibre Crop Directorate Officer	ISS50
51	[redacted]	AFA Fibre Crop Directorate Officer	ISS51
52	[redacted]	Public Policy Officer in the Ministry of Agriculture (MOALF)	ISS52
53	[redacted]	Interim MD for AFA	ISS53
54	[redacted]	Co-Founder Farm Concern International	ISS54
55	[redacted]	World Bank Agricultural Consultant	ISS55
56	[redacted]	IFAD Agricultural Consultant	ISS56

57	[redacted]	Former Director of Agriculture in the MOALF	ISS57
58	[redacted]	One Acre Fund Program Director	ISS58
59	[redacted]	One Acre Fund Director of Policy in East Africa	ISS59
60	[redacted]	Economist, Freelance Reporter and Researcher	ISS60
61	[redacted]	AFA Legal Officer	ISS61
62	[redacted]	Commodity Fund Credit Officer	ISS62
63	[redacted]	Head of Planning & Strategy AFA	ISS63
64	[redacted]	AFA Economic Strategist	ISS64
65	[redacted]	Political Officer MOALF	ISS65
66	[redacted]	IDS Professor	ISS66
67	[redacted]	Interim AFA Sugar Directorate Director	ISS67
68	[redacted]	Elite Kenyan Farmer	ISS68
69	[redacted]	Kenyan Soybean Processor & Farmer	ISS69
70	[redacted]	Partnership for African Social and Governance Research (PASGR) Political Officer	ISS70
71	[redacted]	Large Scale Kisumu Farmer	ISS71
72	[redacted]	Gro Intelligence Technical Officer	ISS72
73	[redacted]	AGRA Policy Officer	ISS73

Phase II Interviewees

Number	Names (redacted)	Role	Code
	Bungoma County Interviwes		
1	[redacted]	AFA HCD Officer	1B5
2	[redacted]	ASDP Coordinator Bungoma	2B5
3	[redacted]	SCAO	3B3
4	[redacted]	Deputy Bumula Sub County	4B3
5	[redacted]	CDA Bungoma	5B2
6	[redacted]	Assistant Director of Agriculture	6B3
7	[redacted]	WEAO	7B4
8	[redacted]	WEAO	8B4
	Kiambu County Interviews	[redacted]	
9	[redacted]	AFA Coffee Directorate Officer	9K5

10	[redacted]	CDA Agribusiness	10K2
11	[redacted]	CDA Coffee Value Chains	11K2
12	[redacted]	CDA Policy & Agribusiness	12K2
13	[redacted]	SCAO	13K3
14	[redacted]	WEAO	14K4
	Nyeri County Interviews	[redacted]	
15	[redacted]	AFA HCD Officer	15N5
16	[redacted]	Agricultural CO Nyeri	16N1
17	[redacted]	Agricultural CO Officer	17N1
18	[redacted]	CO Economic Planning	18N1
19	[redacted]	Deputy CDA	19N2
20	[redacted]	SCAO - Nyeri Central	20N3
21	[redacted]	WEAO - Kamakwa Ward	21N4
22	[redacted]	OAF Government Relation Officer	22N6
	Uasin Gishu County Interiews	[redacted]	
23	[redacted]	HCD Officer	23U5
24	[redacted]	HCD Officer	24U5
25	[redacted]	ASDSP Coordinator	25U5
26	[redacted]	NCPB Agricultural Officer	26U5
27	[redacted]	MCA - Megun Ward	27U7
28	[redacted]	CO Agriculture Uasin Gishu	28U1
29	[redacted]	CO Finance and Economic Planning	29U1
30	[redacted]	CDA Agricultural Crops	30U2
31	[redacted]	SCAO - Turbo	31U3
32	[redacted]	SCAO - Soy	32U3
33	[redacted]	SCAO - Ainabkoi	33U3
34	[redacted]	WEAO - Kuinet Ward	34U4
35	[redacted]	WEAO - Kiplombe Ward	35U4
36	[redacted]	WEAO - Ngenyile Ward	36U4
37	[redacted]	County Horticultural Crops Officer	37U2
38	[redacted]	Anglican Development Services Zonal Manager	38U6
39	[redacted]	Executive Director of Equatorial Horti-Fresh Ltd.	39U8

Phase III Interviewees

Number	Focus Group Locations	Code
74	Budula Constituency, Kabula Subcounty, Watoya Ward	B.1.1

75	Sirisia Constituency, Malakisi/South Kulisiru (sc), **Butonge Ward**	B.1.2
76	Kimilili Constituency, Kililimi (sc), **Kamakywa** Ward	B.1.3
77	Webuye West Constituency, Miendo (sc), **Bokoli** Ward	B.1.4
78	Webuye West Constituency, Webuye West (sc), Sitikho Ward, **Khalumuli Sub Location**	B.1.5
79	Webuye East Constituency, Webuye East (sc), Ndivisi Ward, **Wabukhonyi Sub Location**	B.1.6
80	Webuye East Constituency, Webuye East (sc), **Maraka** Ward	B.1.7
81	Kanduyi Constituency, Kanduyi (sc), Bukeme West Ward, **Kasosi sub location**	B.1.8
82	Bumula Constituency, Bumula (sc), **Kabula Ward**	B.1.9
83	Kanduyi Constituency, Kanduyi (sc), East Sang'alo Ward, **Mabanga Sub-Location**	B.1.10
84	Tongaren Constituency, Tongaren Sub County, Milima Ward, **Maliki sub-location**	B.1.11
85	Tetu Constituency, Tetu Sub County, Dedan Kimathi Ward, **Kirurumi sub-location**	N.2.1
86	Tetu Constituency, Tetu Sub County, Dedan Kimathi Ward, **Ihururu sub-location**	N.2.2
87	Kieni Constituency, Kieni West Sub County, **Mugunda Ward**	N.2.3
88	Mathira Constituency, Mathira East Sub County, **Iriani Ward**	N.2.4
89	Mathira Constituency, Mathira East Sub County, Karatina Ward, **Kiharo Sub Location**	N.2.5
90	Mukurwe-ini Constituency, Mukurwe-ini Sub County, Mukurwe-ini Central Ward, **Ichamara Sub Location**	N.2.6
91	Othaya Constituency, Othaya Sub County, **Chinga Ward**	N.2.7
92	Kieni Constituency, Kieni West Sub County, Mugunda Ward, **Birisha Sub Location**	N.2.8
93	Mukurwe-ini Constituency, Mukurwe-ini Sub County, Mukurwe-ini West Ward, **Gatura Sub Location**	N.2.9
94	Mukurwe-ini Constituency, Mukurwe-ini Sub County, Mukurwe-ini Central Ward, **Murunduini Sub Location**	N.2.10
95	Kieni Constituency, Kieni West Sub County, **Gatarakwa Ward**	N.2.11

APPENDIX V: Chapter VI Additional Results from focus group and county government research

County	Which public participation exercises are you aware of?	Aggregated results
Bungoma	▪ "No public participation" claims that they had never heard of it (5 Groups) ▪ "Public participation" in various forms i.e. the Chief's office (4 Groups). ▪ "Perceived Public Participation" these were not meetings in which there was participation, instead more like gatherings e.g. field days, barazas etc (2 Groups) ▪ "Aware but not invited" (1 Group)	▪ No public participation (11 Groups) ▪ Attended some form of public participation (7 Groups) ▪ Aware but not invited (5 Groups) ▪ Attended a non-participatory meeting (3 Groups)
Nyeri	▪ "No public participation" (6 Groups) ▪ "Aware but no invited" (4 Groups) ▪ "Public Participation" (3 Groups) ▪ "Perceived Public Participation" (1 Group)	

Table 29. Focus Group Public Participation Awareness

County	Have you attended any meeting involving agricultural issues?	Aggregated results
Bungoma	▪ "Not Attended" (8 Groups) ▪ "Attended" (4 Groups)	▪ Not attended (15 Groups) ▪ Attended (6 Groups)
Nyeri	▪ "Not Attended" (7 Groups) ▪ "Attended" (2 Groups)	

Table 30. Focus Group Meeting Attendance

County	Have you spoken in a public participation forum?	Result aggregation
Bungoma	▪ "Not Spoken" (8 Groups) ▪ "Spoken" (3 Groups)	▪ Not spoken (18 Groups) ▪ Spoken (4 Groups)
Nyeri	▪ "Not Spoken" (10 Groups) ▪ "Spoken" (1 Group)	

Table 31. Focus Group Public Participation Involvement

County	Do you believe yours and other farmers contributions were considered in the final plan/budget?	Aggregate Results
Bungoma	▪ "Not Considered" (8 Groups ▪ "Considered" even in this group the result was slightly mixed (3 Groups)	▪ Not considered (17 Groups) ▪ Considered (5 Groups)
Nyeri	▪ "Not Considered" (9 Groups) ▪ "Considered" (2 Groups)	

Table 32. Focus Group Contribution

County	Do you believe these exercises are an effective way of gathering the priority needs of average farmers?	Aggregated Results

Bungoma	▪ "Ineffective" due to patronage, unclear selection criteria, lack of implementation etc (8 Groups) ▪ "Effective" (2 Groups)	▪ Ineffective (18 Groups) ▪ Effective (3 Groups)
Nyeri	▪ "Ineffective" (10 Groups) ▪ "Effective" (1 Group)	

Table 33. Focus Groups & Priority Needs

County	Which agricultural public services do you receive (from local and national government)?	Number of Groups (Responses)	Aggregate results (Top 3)
Bungoma	▪ "Subsidised inputs" mainly seeds for planting maize and fertiliser	▪ 5 Groups	▪ Subsidised inputs (5 Groups) ▪ KTDA Support (3 Groups) ▪ No support (3 Groups) ▪ Direct Transfers (3 Groups)
	▪ "Direct transfers" of cows but it is ambiguous how farmers are selected	▪ 3 Groups	
	▪ Milk production support increase output	▪ 1 Groups	
	▪ "Tractors" purchased but no longer functional	▪ 1 Group	
	▪ "No real support"	▪ 1 Group	
Nyeri	▪ "KTDA support"	▪ 3 Groups	
	▪ "No real support"	▪ 2 Groups	
	▪ "Farmer Training	▪ 1 Groups	
	▪ "Fruit tree seedlings and Vaccinations	▪ 1 Groups	
	▪ "Support from Coffee Factories"	▪ 1 Groups	
	▪ "Poor quality inputs"	▪ 1 Group	
	▪ "Demand driven extension"	▪ 1 Group	
	▪ "Livestock & A.I. Services"	▪ 1 Group	

Table 34. Focus Group Receipt of Public Services

County	Which of these services do you value the most from local or national government?	Aggregate Results
Bungoma	▪ "No support" (6 Groups).	▪ There are no services (9 Groups) ▪ Better hospitals & access to education (2 Groups) ▪ KTDA services (2 Groups) ▪ Improved roads (2 Groups) ▪ Training (2 Groups)
	▪ "Low interest CDF loans" (2 Groups).	
	▪ "Cheap fertiliser" though low quality in some instances (1 Group).	
	▪ "Fertiliser" though low penetration (1 Group).	
	▪ "Improved Roads" (1 Group).	
Nyeri	▪ "No services" (3 Groups) ▪ "Better hospitals and access to education" (2 Groups). ▪ "KTDA services" (2 Groups). ▪ "Training" (2 Groups). ▪ Livestock support (1 Group). ▪ Improved roads (1 Group).	

Table 35. Focus Groups Public Service Appreciation

County	When was service delivery best and why?	Aggregated Results
Bungoma	▪ "1970s" government support from extension to inputs (3 Groups). ▪ "Kibaki's revitalisation" from 2003-2013 (2 Groups).	▪ 1970s (9 Groups) ▪ 2013 (6 Groups)

	▪ "1980s" good but declining support (2 Groups). ▪ "2013 devolution transparent" but a failure to address needs (1 Groups). ▪ "Same Service" unchanged support, just seeds and fertiliser (1 Groups) ▪ "1960s" sugar depos, coffee production expansion and working systems (1 Group). ▪ "No support" (1 Group)	▪ Early 2000s (2 Groups) ▪ 1980s (2 Groups) ▪ No change (1 Group)
Nyeri	▪ "2013 Devolution" more support services, seeds, extension, and the late governor's vision (5 Groups). ▪ "1970s" was considered the best time for support, with a decline thereafter (4 Groups) ▪ "Always the same" there has been no distinct period (1 Group) ▪ "1980s" good support (1 Group).	

Table 36. Focus Group Periods of Agricultural Service Delivery

County	How often do you see public extension staff since devolution in comparison to what was occurring prior to devolution?	
Bungoma	▪ "No contact and no visibility" with extension staff (5 Groups). ▪ "Things are the same" extension staff have not improved or declined (2 Groups). ▪ "Demand driven extension" you must go to their offices if you want assistance (2 Groups). ▪ "NGOs & Private Sector" filling in the gap left by the public sector (2 Groups).	▪ No contact (10 groups) ▪ Limited support (3 groups) ▪ Demand driven (3 Groups) ▪ Things are the same (2 groups) ▪ Positive change (2 groups)
Nyeri	▪ "Don't see them" (5 Groups) ▪ "Limited support to cash crops" through KTDA, Coffee and Livestock Directorates (3 Groups) ▪ "Positive change" more contact and training since devolution (2 Groups) ▪ "Demand driven extension" (1 Group)	
	How has the nature (and quality) of your interaction with extension changed since devolution?	
Bungoma	▪ "No Change" (10 Groups) ▪ "NGOs" filling the gap (1 Group)	▪ No change (16 Groups) ▪ Improvements (3 groups)
Nyeri	▪ "No change" or in applicable to most groups after 4(ii) after stating they that they don't receive any support (6 Groups). ▪ "Improvements in support" (3 Groups). ▪ "Sub-sectoral support" remained positive (1 Group). ▪ "Demand-driven extension" you have to call (1 Group).	

Table 37. Focus Group Extension Experiences

County	Which county agricultural developmental programs have been delivered in your area since 2013?	
Bungoma	▪ "Direct Transfers" of cows, chicken, fertiliser despite its bad quality, greenhouses (5 Groups).	▪ Direct Transfers (10 Groups)

	▪ "Patronage" Unclear procedure in the selection of beneficiaries (3 Groups). ▪ "Poor Planning and Workmanship" greenhouses collapsed, in disrepair or washed away. Tomato plant closed (2 Groups). ▪ "No programs" (1 Group)	▪ Programs to the 'connected' (5 Groups) ▪ Subsidies (4 Groups) ▪ No programs (3 Groups)
Nyeri	▪ "Non-beneficial programs" mainly transfers of goats, a dam, cows, a non-functioning milk factory, pigs, fishponds etc. (5 Groups). ▪ "No programs" delivered (2 groups). ▪ "Programs delivered" subsidised fertiliser, fish farming, water pans, boreholes, soil testing, lime, milk coolers etc. (2 Groups) ▪ "Patronage" knowing the Chief assisted with the delivery of fertiliser through the SCAO (2 Groups)	

Table 38. Focus Group Development Program Delivery