

THE BROOKINGS INSTITUTION

CORRUPTION, IMPUNITY AND INEQUALITY:
EMERGING DISCONTENT AND VOLATILITY IN AFRICA

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P R O C E E D I N G S

MR. KIMENYI: Good afternoon. My name is Mwangi Kimenyi. I am a senior fellow here and also the director of the Africa Growth Initiative, and I would like to welcome you to this event and to Brookings and AGI.

Time is actually quite limited in this event, but I would probably also take the opportunity for thanking you for coming to this, what we consider one of our important events, and also to welcome John, John Githongo, who I'd say is an old friend of mine, and despite and in spite of whatever he may have done or not done, we are still friends, John. And so -- and we've remained very good friends over time and having worked in Kenya together and now in different areas.

So, I'm going to ask my friend and colleague here at Brookings, Danny Kaufmann, who is always talking about governance and that's his area, to come, and a friend also of John, and he will be introducing John and moderating the event. And thank you very much. Danny?

MR. KAUFMANN: Thanks, Mwangi. Good afternoon. At some level I could just take 30 seconds and say that John doesn't need any introduction, but I work at Brookings and I'm enormously impressed and respectful of the organization and everybody should be properly introduced in these special events, so I'll go through some first of the official part and then I'll tell a quick anecdote, because I've known John for over a dozen years, more than that, which I think will tell something also about how special he is.

Okay, first in terms of the basics. Currently John Githongo is the CEO of the Inuka Kenya Trust, which is a very innovative civil society movement. I prefer to call it movement, some others may call it organization, but I'll leave it to you to clarify. He's

also currently a commissioner on the Independent Commission on Aid Impact of the British Government, which is starting its work now. He has all kinds of education honors, including an honors degree in economics and philosophy from the University of Wales, an honorary doctorate from Open University.

He has served as VP for policy and advocate of World Vision International. He has had positions with a number of very prominent international NGOs, in fact, including director of Transparency International in Berlin. He was the executive director of Transparency International Kenya chapter in the '90s, too. He has been a senior associate at St. Anthony's College in Oxford. He also was, as many of you know, the permanent secretary of the Office of the President of Kenya of the now defunct Office on Governance and Anti-Corruption. He started, in fact, as a columnist for the *EastAfrican* in the mid '90s. For a long time he was there, he was a correspondent also to very prominent newspapers and magazines like *The Economist* and he's also a member of the board of a number of prominent organizations, including the Africa Center for Open Governance -- the so-called AfriCOG -- TI, Africa Institute for Governing with Integrity at Freedom House, and so on.

Now, the less formal part is something that happened in the late '90s, it's about '98. Jim Wolfensohn had come to the World Bank and started to break with the taboo of international financial organizations not being able to deal with corruption. In fact, until he came, we all had to write in reports the "C..." word because it was not fully allowed to speak about corruption. And one of the initiatives at the time that they started when I was there was to think that it was extremely important to engage the countries and countries taking the lead in terms of programs for governance and anti-corruption.

So, we thought about inviting prominent leaders on that would deal with

governance and anti-corruption and preparing an anti-corruption program for the countries, from six countries first in Africa, then we went to Latin America and so on, but we started in the Africa region. And the selection process for those countries was very basic saying, well, the country has to have some political will from the top and a government interested in doing that because it's very important that the process is internalized and led by the country, and the country has to have demand and be interested in that. This is not something that the World Bank or anybody else should force on a country.

So, the six countries were selected, the countries, for instance, like Ghana and Tanzania and Uganda. Within half a day that the invitations come out I get an irate call in my office in the World Bank. Who is it? John Githongo calling from Kenya. Why we are not invited to this? I just heard that these six countries have been selected, but not Kenya. So, I explained why Kenya does not really qualify, according to political will. This is in the midst of the Mwai era; the IMF is cutting Kenya off. In fact, one of the few and only times when an international organization has cut off completely a country because of corruption was these early days from the IMF, both Kenya and Cameroon at the time.

So, but John, very insistent, very persistent, and he convinces me that, in fact, at the top of the government there may not be commitment, but here there are leaders in civil society; it was the head of TI. There are people in the judiciary, there are even some reformists hidden in government that he knows, and in parliament and in the private sector.

I said, fine, there is a seventh country.

So, within a few weeks the seven countries show up. At the end of the

first day of our working together and the country teams starting to prepare an action program, John, taking the lead of course, of all the groups from Kenya, takes me aside and says, we need to talk to you. And he said, well, two things we want to tell you. First, thanks that you agreed to invite us even if we didn't cut the criteria because this is the first time ever that we all meet, such a group. If we were to do the same in Nairobi that would be considered sedition, so it's very important that we can be outside and there's an umbrella that protects us.

Second, very nice program that you and your colleagues have put together, and we're going to do it and take the lead. But let me tell you, we already have a draft anti-corruption program. The problem is how we internalize and move forward.

Anyway, the reason I took a few minutes to tell this story is because at the very personal level -- and then we have seen it at a much more prominent level in the Kenyan scandal cases and regarding Anglo-leasing in terms of his exile in the UK, in terms of his coming back and playing an important role now in Kenya, what Minister (inaudible) just mentioned at the luncheon, the unusual courage that John has always had, the leadership role. In fact, by the end of this action program the seven countries, very prominent people from many of these countries, it was John who had become the leader of the group and addressed everybody basically in the closing presentations, and so on.

But also let me finish before giving the microphone for the real highlight, which is the remarks by John himself, because it also hopefully will encapsulate another aspect that he will talk about, which is the substantive thoughts he has about Africa nowadays. And it is what not only people like myself, but I think it is in the book by Michela Wrong, *It's Our Turn to Eat*, which is based on John's life story, the fact that he's

essentially an intellectual omnivore, as he has been called, and there are few people who basically encapsulate that mix of leadership, courage, and intellect.

So, with that, I very much want to welcome John and we look forward to your remarks. (Applause)

MR. GITHONGO: Thank you, Danny, for that very gracious welcome. I now recall the meeting we had in Washington.

I would like to start by thanking Danny, thanking Brookings, especially thanking Professor Mwangi Kimenyi and the Africa Growth Initiative for the courage of inviting me here today. I'm sure there are folks back home who may not be too happy that you have invited me to Brookings and are hearing about it now. So, thank you for that honor.

I'll give a broad overview on the topic that I've been asked to prepare on, which is fairly wide, and really describes the journey that I have taken with regard to the fight against corruption. I have friends in Kenya who I disagree with all the time because they describe me as a Pan-Africanist -- Pan African sentimentalist -- but talk about corruption, impunity, and inequality, and the emerging discontent and volatility that we are now seeing in Africa and their relationship to these interconnected factors.

First of all, I start by recognizing that the state, in a number of countries where the Gini coefficient that measures inequality, the state was created to deliver to a small minority of self-identified individuals, usually have a settler community. So you'll find South Africa, Kenya, Algeria, Brazil, fairly similar in some aspects, and with structures that are inherently unequal and, in some cases in many of these countries, inequality between the races in particular, had been constitutionalized and codified.

What has happened in some of these countries is one may ask the

question, especially during this time when we have seen so much growth around the world over the last 30 to 40 years, what does growth mean in these contexts that is different because the governance structures, traditions, policies, and institutions are not in place to mitigate the inequality?

When I returned to Kenya in 2008, I spent just over a year traveling around the country basically living with the local community with my little sleeping bag -- my big sleeping bag -- and listening to Kenyans, and for me it was one of the most humbling experiences in my entire life. It sort of changed me completely. First of all, the tremendous generosity of ordinary Africans regardless of the very terrible circumstances they may be living in.

I remember one night after -- in the coastal part of Kenya, which has always been -- the communities there have always considered themselves very marginalized from the center, we spoke late into the night until around 10:00 my host said, well, now you've been with us here for a few hours, for a number of hours, so which hotel are you going to? I said, no, no, actually if you give me some space on your floor, with my colleague here, we will lay out our sleeping bags, and they said, okay. He was a bit surprised, said, okay, I'll see what can be arranged.

Half an hour later both of us were shown into bedrooms and I was quite embarrassed. I said you didn't have to do this. This is not a person of means by any stretch of the imagination. And in the middle of the night there was a rainstorm, so I decided to use the washroom. I put on my torch, I walked out into the sitting room from my bedroom, and the man's entire family was sleeping on the floor of the sitting room and he had moved them out to sleep on the floor so that we could sleep in the beds. And in the morning we had a wonderful breakfast. I was overwhelmed by it. I immediately -- at

that time I moved to a hotel, I moved to an inn. I couldn't take the -- this depth of really unconstrained welcome that I found and it was that that touched me.

And as I traveled around Kenya I was struck by a number of things. First of all, between 2002 and 2007, Kenya had a boom, an economic boom. And as you know, partly as a result of the fact that Africa has been growing generally, has been on an upward growth projection since the late 1990s anyway, we now have the reestablishment of relationships with our friends from the East, from China, from India, from the Middle East, and their interest in our resources driving another spike in growth across Africa. Kenya had a boom between 2002 and 2007, and the figures that I repeat, which are quite impressive, we had 5.5 percent average economic growth every year; the stock exchange grew by 400 percent in that period; we had a housing boom; we built more infrastructure between 2002 and now than the entire period before independence until 2002; we had 1.3 million children who had never been to school join primary school in the first three 3 of 2003; by 2006 the number of enrolled primary school children had doubled. So, these were major developments. And yet, in 2007, Kenya almost slipped into a civil war, a country that had always been considered a bastion of peace and stability, in what is a very rough neighborhood. You know, Somalia is nearby. There's a lot of -- it's a difficult part of Africa for you to be operating in and Kenya was really the retreat for everyone and, all of the sudden, the place to which everyone used to run became a place where we were running from. We even had some refugees who went to Uganda and caused us tremendous embarrassment.

And I asked a gentleman once when I was traveling in a part of the Rift Valley Province in Kenya where the violence was most intense, and I asked him, listen, the roads have been built, many of the agricultural industries that had collapsed before

have been resurrected by this government, how come you are still so unhappy? And he told me something which has stuck with me. He says if a government ruled by this ethnic group tarmacked all the roads in this province I would still not vote for it.

And I call it the triumph of irrationality that takes place in situations where you have structural inequalities, long held historic grievances that are unaddressed, and a sense amongst communities of being excluded from the center in a very, very powerful -- politics of exclusion leads to this kind of attitude. It led me to conclude that dignity comes before development that the hardware of state building won't work if you haven't got the software of nation-building right. You could have a strong state, nice police force, nice roads, but if people don't feel like a nation, it can all fall apart, even with those beautiful roads.

One of the things that has fascinated me as I study what's been happening in Egypt and Tunisia and other such places is actually from a hardware point of view, and even when you look at the Human Development Index, they have been doing fairly well. You know, they've all been upward trajectories. They are development successes over the past seven years, you know, in terms of infant mortality, school enrollment, and those kind of things, but underneath that, major problems with youth unemployment, a major youth bulge, and this youth bulge has global aspirations. It's a very unique youth constituency we have in the world today. They are all interconnected with mobile phones, FM radio, the Internet, et cetera. It's a very, very different constituency and they're the majority now, and are able to, you know, create very complex networks between each other, and a governance system that was unable to deliver jobs to them. So, you have all this growth but the question they ask, where -- you know, growth for who? This growth seems to be just for a few people around the

president and the family of the president, and that causes deep, deep resentment that is compounded by one thing that I came to find extremely important, which is what is almost worse than corruption itself -- and corruption is a subject that I've studied for a long time -- is perceptions with regard to corruption, especially when those perceptions attend to a small, self-identified group that is in power, that behaves in a manner with conspicuous consumption. You know, they're showing off, they're buying jets, they're living it up in Monaco, they may be buying flats in Washington or -- but they're living a life that is so far removed from the majority of people in their own countries, and nothing exacerbates inequality more than corruption. And perceptions of corruption are very easily politicized.

Poverty is easy to deal with as a political issue; inequality is very difficult, and especially when that inequality is compounded by very powerful perceptions of ethnicized or sectarian inequality. And you look at Tunisia, for example, just the map of Tunisia and what happened there, from what I have seen, and I don't pretend to be an academic, but you can see such (inaudible) particular names, which had particular beefs and grievances with the ruling elite by the time the revolution came to be and all these things blew up. So, there's a very important connection there between inequality, youth, unemployment, and corruption -- governance.

So, how does one create a governance system that mitigates inequalities? In a systematic, transparent way, because clearly we have governance -- well, economic models in a country like Kenya that have not been delivering jobs to the youth and, therefore, are actually -- that kind of situation exacerbating the situation. My own finding, and I'm happy to be challenged on this, the economy was growing at 5.5 percent in Kenya for 5 years. If it had been growing at 10 percent the violence we saw after the election would have been worse. If the growth had been faster it would have

been more serious violence simply because of the sense of exclusion of large sections of the population from that growth and from the enjoyments of the fruits of that growth and their willingness to resort to violence as a result of it.

Here I make just a distinction between inequality of outcomes and the inequality of opportunities. Inequality of outcomes is much easier to handle. Inequality of opportunities is much more difficult, much more easily politicized, and much more easily fragmented around ethnic and other lines, even though they're inextricably intertwined.

The inequality of opportunities, when it forms cleavages in society with weak governance institutions, institutions that are still developing, as I said, is far more easy to ethnicize and politicize and ultimately militarize. These horizontal inequalities, they can be regional, they can be along ethnic groups, this tribe, that tribe, this region, that region, Sunnis, Shias, you know, we are seeing this happening all over the world. This combination of factors is creating a condition which I describe as perpetual volatility in many countries, where the volatility used to be around maybe elections, disagreements between the elite, but now the volatility is unpredictable, complex, and is perpetual, so leaders actually don't know where to look and they don't have the tools, in part because information is moving faster than they can keep up with. Governments are being treated out of power.

As I said, the youth bulge is key in all that we are discussing, especially when they have lived -- in Kenya's case we are talking about 78.4 percent of the population below the age of 34, about 60 percent below the age of 16.

I was talking to a former senior government official recently who was asking me about the work that my organization does and he made the observation, you know, the majority of Kenya was born after I joined government. Well, they know me -- I

thought about it -- I said, actually it's true; the vast majority of Kenyans were born after this individual joined politics.

There's another characteristic, and this attends to corruption, in this kind of context, is where you have a youth bulge who have lived in a context where leadership's most enduring characteristic is impunity with regard to that corruption, and that is particularly -- causes a particular kind of outrage because you are not only stealing from me, you're stealing from me in front of my face, and then looking into my face and waiting for me to steal from you again. It causes a particular kind of outrage that feeds that volatility.

It leads to a situation where corruption becomes normalized, decentralized, devolved, and even given a grim respectability as a kind of Dickensian capitalism that is rapacious, unfeeling, and consumes environment, human beings, animals, and all before it in the hunt for profit.

As I was studying -- as I was reviewing notes for this meeting, I was struck by the huge developments that China has been able to make over the past 30 years. Between 1981 and 2005 it's estimated that the poverty rate fell from 85 percent to 15 percent, lifting -- 600 million people were lifted out of poverty.

In the last 10 years alone, the Indian middle class has grown from 150 million to 300 million, despite the fact they still have 250 million people living below poverty, which is more than the whole of Africa, but this is the reality and they're able to have a space program that is sending rockets to the moon. However, reading parts of China's 12th Development Plan, it's clear that the leadership there, too, has recognized the importance of dealing with inequality and has placed a focus on qualitative aspects of growth and a recognition of the need to mitigate inequality more deliberately.

When I was on my way here from the airport I had an Ethiopian -- it seems as if all the cab drivers in Washington are from Ethiopia, and so we decided to have a discussion about corruption and inequality. That's just -- I think all over the world taxi drivers are some of the most informed individuals you can come across. And the question I asked him was do you think that this Chinese model of development can be replicated in Africa? And he was very (inaudible), he said, no, no way, no way. There's no way. We don't have the discipline to be able to put a lid -- you know, when you have deep inequalities in a society it leads to volatility that needs to be managed and you need a particularly robust security system to be able to do that. Not many African countries have that and in -- anyway, many basic freedoms across Africa are already out in the open. The genie is out of the bottle with regard to basic freedom, freedom of speech, association, et cetera, and there's no sense that people would like it to go back into the bottle.

The other issue that I would like to touch on with regard to the trend that I have observed, not only in Kenya but around Africa, is that we live in a time where all we can be sure of is the complexity and unpredictability of social, economic, and political trends in developing societies, in part driven by the powerful interconnectivity of today's networks, where the governance institutions are weak, and inequality and all its encumbrances prevail as the most vivid face of poverty, I've observed certain symptoms. First, the corruption within an elite, even in a quasi-democratic context, starts to feed off women, youth, and the environment. So, from going from the corruption where you cream off public procurement contracts and the like, the corruption tends to move towards more of the criminal kind, drugs, money laundering, and the like. And for those who peddle drugs, they see the youth as a market. The youth bulge is a market to be

exploited for those who are unscrupulous enough, and so you'll find in some countries around West Africa and even East Africa, this is a growing problem. And for me the corruption that comes with drugs is the hardest corruption to deal with and the one that I fear most.

It also sees the development of informal youth groups who have the capacity and will to challenge the state's monopoly on violence. These groups gain currency, particularly in slum areas. I visited the favelas of Brazil before returning to Kenya in 2008, and was struck there by -- I know things have changed since then, but how powerful the drug gangs were, and similar groups develop and the state loses its grip on sections of its own territory.

A question that has been asked of me countless times, will the Arab Spring come south of the Sahara? Will we see a Tahrir Square in whatever capital it is? I don't want to offend anyone. And my response up to now has been I actually don't know, anything is possible. Unpredictability and complexity characterizes the situation that we're in with regard to, especially countries with a youth bulge, who are enjoying rapid growth but are not creating employment. Huge contradictions. So anything is possible.

What is true, what is very clear, is that the revolution has arrived in the minds of many of our leaders, you know, because they are reacting to it in advance. You know, the odd behavior of stopping events before they take place, and we can see the panic, as if somebody's pushing buttons and causing them to behave in bizarre ways. Once again, I shan't mention the list of countries; you know them probably as well as me, where some of these things are happening.

And why? Because they recognize the morbid symptoms: the youth

bulge that's there, that's still a crisis instead of an opportunity, and the youths have globalized aspirations and expectations, spread exponentially by the revolution in information technology; widespread corruption perpetrated by elites with impunity; economic growth at the same time; and development in aggregates that simply don't trickle down feeding powerful perceptions of exclusion; and the inability of governance institutions to mitigate inequality; and, more important, perceptions of inequality that are given powerful political currency when they're horizontal in nature.

And that's why I would like to argue that in this age, when we have seen in the last four decades more people lifted out of poverty than at any time in human history, the most urgent development challenge facing us all over the world, but especially in contexts where major governance challenges persist, is inequality. I say we have reached the end of the era of "let's end poverty" in its simple form. Inequality is the new bogeyman of the advancement of peoples, and it comes bearing gifts: political, social, and economic volatility, economic growth but easily consumed by attendant vulnerabilities, the normalization of corruption as massive changes in trading and investment relationships take place with a growing economic dominance of our colleagues from the East.

And here I'll tell you a little anecdote of what a lady from a small coastal island off the coast of Kenya called Lamu told me when I visited Lamu. And she said, you people -- she meant us up-country tribes, us people who come from the hills and mainly potato growing, sedentary, agriculturalists or pastoralists -- she said, you people were still in the Congo on the way down to places like Kenya and Tanzania when we had an empire here -- empires here on the east coast of Africa that were trading with India, the Arab world, and China as far back as the 13th century, and so we became -- we were

strong when we faced the sea, we became weak when we faced Nairobi, which is the capital of Kenya. And that was something that struck me.

These relationships with the East are being resurrected. There's nothing new about them for the eastern side of Africa. They're old relationships that are being resurrected. They have a good side and a bad side.

I can't proceed without delving a little deeper into the issue of corruption and the way it has changed and my own sort of analysis of it since we started with -- then in the 1990s, developing anti-corruption programs, and this is something that has spread across the African continent. The first, as he mentioned, the first organization to stop aid to a country because of corruption was the IMF when they stopped an enhanced structural adjustment facility loan to Kenya in 1997 or 1998, to Kenya and Cameroon as well. But Cameroon had oil, so they got off lightly, and Kenya remained with its head on the block. And we all implemented anti-corruption programs that meant we created anti-corruption institutions, implemented legislation to prosecute corruption, ethics-related legislation, and the like.

What was most important about it, and I think was a mistake in hindsight now, was that it was dependent on leadership from the top. I used to say, unless you have political will from the top leadership, it will not work. I have come to change my opinion in that regard after 15 years of experience and watching what has happened to friends of mine who occupied similar positions in places like Nigeria and South Africa and other places, that actually you've got to fight corruption from below, that it's when an entire population reaches the point of exhaustion with corruption. Because at the grassroots, corruption means pregnant women dying during childbirth, it means drugs that are expired in hospitals. It has a very immediate direct impact on people.

Also we've realized that nowhere has it worked. Nowhere has it -- it works for brief periods. You can jump in and do a lot of good things and the development partners have been -- have had their shirts taken off them by clever elites. So, across a range of countries where corruption is systemic and growth continues to happen, whether talking about Kenya or Gabon, Nigeria, et cetera, et cetera, the level of instability that we are about to see in the coming five years will be interesting, and in some cases, extremely unfortunate because there's one -- there are a number of externalities that are being brought to bear upon the youth within this context that we hadn't anticipated and they may be game-changers, and that's the price of fuel and the price of food. That is changing everything. And the governance structures don't exist on the ground to be able to mitigate them, to mitigate these effects. It simply increases the volatility that I was talking about.

I remember visiting an internally displaced camp in Kenya and spending a night there and talking to an old man approaching the age of 90 who had been burnt out of his home three times in total, this was the third time. So he clearly probably was not going to recover from this last one. He probably wasn't really going to get back his wealth after this last shock. The Red Cross has now -- has built him a little shack, so he's happy and still proud and still wears his suit. And I asked him, why is this happening to us? And he gave a very wise answer. It's difficult to translate from the vernacular, but he said, the answer roughly translated was that the problem with us is that we have become corrupt, (inaudible). We have become corrupt and because we are corrupt, the first person to steal from you is the person next to you; the first person to cheat you is the person next to you. You can no longer do things with honor and you cannot build anything that is positive.

I found it an interesting explanation from somebody who was living in a tent that was leaking water as we had our discussion.

Let me end by making the following comments and proposing a couple of solutions, recommendations let me call them. As I said, the most insidious effect of corruption in Africa is not the amount of worth misappropriated by crooked elites, but its contribution to what was in the past, the fight against poverty, simply put in the development discourse in the next two decades, the struggle to mitigate inequality around the world, especially in rapidly growing nations as I observed earlier.

Now, there are many ways of doing this. One of the conclusions that I have reached traveling around Africa is that the models of liberal democracy that we imported after the end of the Cold War across Africa, between 1989 and 1994, probably aren't going to work. We're going to have to redefine our own African models of democracy and governance that have an element of what I call aggressive inclusivity in contexts where exclusion has been there since the colonial era. And this must be codified and constitutionalized in a manner that everybody feels part of the nation.

Secondly, even where you have constitutions which are well written and compare well with constitutions in any other -- in mature democracies, there are underlying, unwritten, what I call grand compacts between ethnic groups, between regions, that govern the way elites manage the affairs of society and the way resources are distributed and managed. I use the example of Nigeria with all due respect, where you have -- you may have heard this -- they have the North/South arrangement, that somebody from the North will run the country for 10 years, then somebody from the South or thereabouts will run the country for 10 years. And it will -- you know, you can't have somebody from the North for 20 years, the system will break down.

Similar grand compacts operate across Africa. And the challenge is identifying them and understanding them and then seeing the extent to which they can be mitigated, and those measures of mitigation are recognized, constitutionalized, codified, and they don't become just informal systems that make formal mechanisms of law and order irrelevant.

Thirdly, traditional social safety nets that have been fraying in Africa are about to be shredded by what might be the real game-changer across many African countries. And as I said this before, this is the rising prices of fuel and food and other inflationary pressures that are on the way.

Fourth, there are policy interventions that are as a result of a governance dividend, that can make a difference in terms of mitigating inequality. And here I use the example of the Constituency Development Fund in Kenya that directs resources directly from central government to the constituency and increases accountability in a manner that assists and lowers the political temperature amongst ordinary people. It wasn't enough to deal with it in 2007.

Last but not least, and this is really aimed at many of the big financial institutions that are here in Washington that play such a critical role, like Brookings and the World Bank and IMF, in making and shaping policy that affects many countries in the third world, is that you have to engage youth and you've got to engage youth in the informal sector.

In 1986, in Kenya 20 percent of Kenyans were employed in the informal sector, 80 percent in the formal sector.

By 2006, 80 percent of Kenyans were in the informal sector, 20 percent in the formal sector. It flipped right around. So a range of liberalization measures, I mean, we can go

into that.

Now, when you talk of informal sector in the American context you're hustling to survive basically. You're operating often at the margins of the law. And how we engage with that demographic in a systemic way that mitigates inequality would be extremely important.

And finally, my last point, which I'd like to press on about, is that the time has come for us in Africa to define our own governance systems. The economic systems that we have adopted are not delivering for the majority of our population. The political systems we have adopted are dividing us instead of uniting us, so we must define our own. And experiments are being made here and there. We must be bold. It means some countries may cease to exist as they are swallowed up into larger regional blocks, and others perhaps may not survive the coming convergence that will be caused by some of the trends that I've just described.

On that note, I would like to say once again thank you so much to Brookings, Professor Danny, and everyone for inviting me here. And thank you for listening to me. (Applause)

MR. KAUFMANN: Have a seat, John. And you need to be wired now so you'll be --

MR. GITHONGO: Okay, I'm wired.

MR. KAUFMANN: -- totally captive and captured by the Brookings technology.

So we're going to open now the floor for discussion. The typical rules of the game apply. Please identify yourself when you ask a question. And because there are so many people and so much interest, please let's keep the comments and questions

brief to be democratic and let many people do so. If you only have a comment, that's fine, but please in brief reaching very quickly the punch line.

So anybody would like to start? We see a hand there. The mic is coming if you can start by identifying yourself. Go ahead.

MR. HERBERT: Hi. I'm Ross Herbert at Johns Hopkins University. We met years ago when I was a journalist in South Africa. Good to see you.

Given the amount of animosity attached to corruption and the extent to which so many people are upset by it, it would seem to me an eminently powerful political organizing tool, yet nobody quite seems to be able to bring it together and use it to good effect. I mean, it's mentioned in every political campaign all across Africa prominently, but why has it not that political anger translated into substantive change? Why haven't political entrepreneurs been able to exploit it?

MR. KAUFMANN: Okay, we'll take three or four. Let's go to the back and the lady in yellow. Sorry, I don't know your name. That's why I have to identify you like that.

MS. GASHINGA: Hello. My name is Jacqueline Gashinga. I'm a fellow Kenyan, young African professional.

In your new paradigm in "For Democracy and Governance in Africa," what are your thoughts on legal pluralism and harmonizing customary law?

MR. KAUFMANN: Thanks. Now we'll go -- we have been the left wing, we're going to the right wing, to Brian.

MR. LEVY: Hi, John. Brian Levy from the World Bank. I have two questions for you.

The one is do you have any optimism that the recent constitutional

changes in Kenya are going to be helpful? And the other one is in light of the way in which the anti-corruption agenda about a decade ago was used to bypass a constitutional reform; do you think that a focus narrowly on corruption, per se, in some sense took us away from some of the core structural issues?

MR. KAUFMANN: Okay. All right, now it's your turn.

MR. GITHONGO: Now it's mine turn.

MR. KAUFMANN: And we'll come back to it.

MR. GITHONGO: I think the first question was how come no one has been able to organize politically around the issue of corruption, which is the source of so much outrage that one would think that, you know, that outrage cuts across all the fragmentation that existed in society.

In part, it's because elite -- the most corrupt elites have captured the narrative of corruption. They've owned it for a while. The people -- the most corrupt dictator will give you the best speech against anti-corruption. It'll be the best written, especially in these kind of circles, and they're coming to Washington to be the most brilliant, well-articulated speech about the evils of corruption and how Africa's development has been held back because of corruption. This is somebody who is, you know -- so that's part -- part of it is the counter-reform measure. I studied it in South America with regard to land reform. And now the landowners said, oh, yes, we believe in this. And some of the countries said this land reform is absolutely critical and took over the whole debate with regard -- a narrative of land reform and then stymied it. Well, that's partly the problem.

I think the other most -- the key issue is that if you're mobilizing around such an issue, you've got to mobilize from the bottom up. In the past, the attempts have

always been to mobilize from the top down with grand rhetoric, a lot of sprinkling of words: use a word "accountability," use a word "transparency." There are certain words you use and then you, you know, you say you have an anti-corruption and a few good people are so desperate it appeals to them. But in actual fact, you got organized from the grassroots up where people begin to realize that when the headmaster is being paid at a government salary, but shows up drunk half the time, that's a problem that they should take up at that point and then let it grow from there. So it takes a bit longer, but that's what actually works.

So I think it's something that -- it's a learning -- it's something that we have learned, you know. We've tried top-down since we were meeting with Danny in Washington up to now. And it's not (inaudible), no, actually, you've got to do it from the bottom up to empower people to take this on in their own context because then they have a clear understanding of it. But you talk about the misappropriations of a billion dollars, you know, for somebody living in the village sometimes, you know, both are too many zeroes. This is somebody who is living below the poverty line.

What does I mean "a billion dollars?" You know it's a lot, but what does it actually mean to me, you know? How does it affect me? And that can only be brought home by mobilizing at the grassroots up and that explains the kind of approach that within my own organization I've -- we've taken.

Jacqueline raised a very good point, I couldn't agree with you more, of the urgent need to -- for a form of legal prudence and the way you harmonize with customary law. It's not necessarily easy, but even when one looks at Kenya and areas where the violence was quite intense after the elections in 2007, 2008, I was struck by the extent to which the church, the government, the civil society, the NGOs from the

capital, Nairobi, lost all their credibility and legitimacy. And so we had the cropping up across the country of elder's councils, women's groups coming in, engaging in the whole dialogue of reconciliation and peace. So I think there's something there that needs to be taken a bit more seriously. Push it to one side to our detriment.

Brian, you asked about I think the new Kenyan Constitution will be extremely helpful. It's a major step forward. I'm cautious of it. I'm cautious on it. We've had times where people jumped -- you know, we get very excited about we promulgated in August, and that's part of its promulgation. All the treaties and international instruments that Kenya had signed on to became part of Kenyan law, including the (inaudible) statute, which created the International Criminal Court. But one of the specially invited guests on the promulgation day was Omar al-Bashir, the president of Sudan.

So, you know, I believe it's a very positive step, but one has to be cautious that we are not -- we don't overreach, we don't get overexcited, and also the constitution is going to go through a process of involuntary Kenyanization. There are a lot of elements of it that, you know, people didn't -- you know, it's a -- well, the initial draft was 209 pages of legalese. I think 0.001 percent of the population even read it. And one can tell that from the public pronouncements of many leaders not many people could read it, you know. I struggled through it simply because of the questions I was being asked by people as I traveled around the country, but people voted for it because they wanted change.

And the most exciting -- the thing that has captured the imagination of the population within the new constitution is devolution more than anything else. The other part of the constitution they don't know about, you know. We've seen a very transparent process in terms of appointment of a new Chief Justice. That has also

excited people, not only because the new Chief Justice is somebody who has a very strong, proven track record in reform, but because of the transparency of it, just the transparency of the process.

Watching judges being vetted on television was riveting. They're being asked hard questions about how -- you know, their past judgments and the like. That was a step forward, but I said I move with caution and I rather -- when Omar al-Bashir showed up in August, I punched my hand in there because many of my friends were going out for champagne parties, wanted to celebrate us and to hold on.

This is the reality that we have to deal with. Let's take it step by step. It's going to be a long haul and let's go with it.

MR. KAUFMANN: Let me take the prerogative of being the moderator, even though many people who know me do not consider me particularly moderate -- (Laughter) -- and follow up with a question that comes up, particularly from the first and Brian's question and from your excellent talk. If we take your first two very important points, elites having captured your narrative and some of these elites are kleptocratic and you're talking about the \$2 billion which are not clearly understood at the bottom, that goes to the second very important point you make that to make a dent is the bottom-up approach in-country, led by the people and by the country itself. But then you also reminded everybody of a third issue, which, after all, we're in Washington: IMF, 1998, did take a very bold action by many observers, which was the first international financial organization ever, and basically does not happen much ever since, to cut off a country and suspend all monies to the country because very explicit corruption, and that was Kenya and more; Cameroon also took place.

Today, it's a particular junction in Washington because a new head of

the IMF has just been appointed. It happens to be, and some of us happen to think it's very significant will be for the first time a woman. So not just a part of the old boys' network and so on. There are some studies, in fact, some research studies in the corruption literature that suggests that women have less tolerance for these issues for a variety of reasons.

So what will be -- given all this, what will be your message now to the incoming head of the IMF and also to the Bob Zoellick at the World Bank in terms of what these organizations can do as opposed as to what they should not even try to do because it's unrealistic and should be left to the country and, also, equally important, what they should not do? From your vast experience of having dealt with Washington and with these organizations and so on, what would be your key messages given that it's a special juncture nowadays here?

MR. GITHONGO: A couple of points. I think the first rule of aid should be do no harm. If you're not sure, don't do it. Don't do it.

MR. KAUFMANN: That's in terms of money?

MR. GITHONGO: Yeah. That was in terms of, you know, rolling out the massive technical assistance program on governance for the Republic of X. Very, very careful that you do no harm. Make sure that -- number one, recognize the fact that your interlocutors on the other side studied here with you. The days when you came to Africa and you were dealing with people who had not gone to school are gone. They're all Cornell, Yale, Harvard. You know, they see you coming a mile off. World Bank mission? Okay, let them come, we'll deal with them, no problem. (Laughter) So be very careful, you know. So you're dealing with a kleptocrat who doesn't look like a kleptocrat, who talks better than you, has read the World Bank Indicators inside out who will quote them

back to you. So I think you've got to (inaudible). So be smart about it, you know, I mean, to do -- to dignify your interlocutor, that you are dealing with people who know what they're talking about or what they're doing.

And also recognize that the top-down giant programs don't really work. They're not surviving the political cycles that we have in Africa. They don't seem to be surviving. They take huge body blows every time you have a major change. Now, ironically, in countries like Botswana, an exception. But if you look at across the continent, you have a transition, a new head of state, a new prime minister. It's a time of tremendous excitement and optimism. A large program is articulated. It takes maybe two or three years to articulate the program, so you start to implement the program during the fourth year when that head of state is now looking for money to pay for the election. And that's at least a direct contradiction and it's to be (inaudible) to those political realities.

I would agree with you that I think having a woman as the head of the IMF helps. I think I -- the research that I also read shows that women have a lower tolerance for corruption than men. You know, one -- it can be debated, but we don't want to go there.

MR. KAUFMANN: With exceptions, yes.

MR. GITHONGO: There are always exceptions. But it comes at an important juncture not only because you have a women heading the IMF, not only because you have a new head of the IMF, but the world is changing dramatically. The executive directors -- I would like to -- well, I don't know. What will the executive directors of the IMF from Egypt and Tunisia sound like now, the new ones, after what has happened there? Because as far as I know, you know, I might be -- I stand to be

corrected, but, in the past, perhaps they may not have been very supportive of robust anti-corruption strategies, but they have just undergone major changes in their own countries at which the fight against corruption was at the heart of those changes. So it may create a very important moment.

Secondly, the momentum from below is irresistible now, you know. And I think, well, the a new head of IMF, you know, head of the World Bank should just take a visit to these countries and talk to ordinary people and feel this pressure and respond to it. The giant technical programs, they sound nice. They don't survive political cycles. You've got to find a cleverer way of engaging to be able to make a difference.

So, yes, an opportunity is there for bold action to be taken. Let us see.

MR. KAUFMANN: Yeah. And this is very important. It's not just Christine Lagarde with her vast experience and smarts, and this is very important because it's not just for Africa the challenge, she knows very well that both a Wall Street-generated crisis and the Greek crisis have very significant components where corruption contributed to it, which, for a variety of reasons in the past among the old boys' international financial network, that has been put somewhat under the rug. So it would not be just an Africa issue, just to make clear.

Let's go to the very, very back and then we'll start coming back there.

MS. ZUZZ: Thank you, hi. My name is Bachella Zuzz. I am a student.

My question is on the generalizations made about Africa in discussions much like this on, the focus on African governance, African issues, African corruption where there are over 50 countries, hundreds of languages, and different historical backgrounds. Do you think this is an effective method of understanding the issues and creating sustainable solutions? And how do you think it can be fixed so that there is

actual focus on maybe Namibia versus Zaire or some other place like that? Thank you.

MR. KAUFMANN: That's one. Okay. Move to the two persons in the back first behind you and then yourself.

MR. ANOSAY: Thank you very much. My name is Yahyef Anosay. I'm the lead person for the Special Operations Division of the United States of Africa 2017 Project Task Force.

First of all, I am so happy to see you here, that you're lucky to be alive. We enjoy all the work that you and other people are doing. And this is a statement: In two or three years, people like you will not have to leave Africa when you publish things because any government that goes after you, that government or that president will cease to exist.

MR. GITHONGO: Thank you. Yeah, very encouraging.

SPEAKER: My name is John. I'm a freelance writer.

I'll take you up on the issue of one of the last statements you mentioned was that at some point that Africa's in the state of flux and will be in the state of flux. Some states will cease to exist, new unions will be created. And I think all these discussions forget one thing: that the entire continent of Africa -- and I believe that 90 percent of them -- state formation has not even begun. The states have not even been created because unless you have a very loose definition of a state, they don't exist. And the problems that we have emanate from that reality.

So until, I think, genuine states are created in Africa, we shall deal with these problems. Come to the issue of rule of law and corruption. How come that in local communities (inaudible) have a very high sense of morals? They're very anti-corrupt. They can spot it when they see it and they'll take effective action. But somehow the

same communities condone corruption at the national level as long as they benefit. So we have what? Basically states within states and they see the looting of central government as a necessary (inaudible) measure to get the spoils for the community. So I think the basic problem in Africa is creating states that are viable. Thank you.

MR. KAUFMANN: Thank you. Let's bring it to the top. We'll have two more questions here. To the front, sorry, yourself and Mwangi, and then we'll go back to John and then we'll turn back to the audience.

MR. BABERAY: My name is Mamarutz Baberay from Mali. And I just want to come back to the point when you said that .01 percent of the population had read the Constitution, the Constitution of Kenya. And I think I would come back to (inaudible) rule of law and corruption. How is it when people don't know the Constitution it is the same thing as saying that \$1 billion has been stolen from the National (inaudible) Corporation? Nobody knows what it means \$1 billion when people (inaudible) \$1 a day. So \$1 billion people just can't figure what it is.

It is the same thing, a Constitution, nobody knows what it is in, nobody what -- so how can you speak of rule of law when nobody knows the law?

And, you know, we have the same thing. In Mali we have our first Bill of Rights was in 1236. This means more than six centuries ago. And up to now, you go to any villages, everybody know what is in this bill of law from the 13th century, but nobody know what is in the last Constitution in Mali. So this is why people on the village level they fought -- they fight corruption because they know how to fight corruption. They have the legal tools to fight corruption in the village level. But they don't have any (inaudible) -- any tools to fight it in the national level because this is Constitution, something they don't know. It's something that has been brought by the colonial period. It's something new.

No one knows how it works.

But we have a change from our common law to the Constitution and we are not going to go back. So now how are we going to live with the mix of the two and what is -- what do you think of this struggle? This is what is going on now. It is a struggle between the two systems.

MR. KAUFMANN: Thank you.

MR. BABERAY: So what is the perspective in Kenya?

MR. KAUFMANN: Thanks. Mwangi?

MR. KIMENYI: Thank you very much, John. I would like to go back to one of your trigger factors, which is the food prices. You talked a lot about how it's influencing mass action and all that. But I'm not quite sure whether you could talk a little bit about, given that governments are obviously concerned about this, what are they doing? I mean, what's happening in countries, for example, in East Africa and West Africa and so on?

I know that I'm involved in the African Human Development Report, which we are working on now, and the topic is on food security. But it would be nice to hear what you have seen, you know, leaders trying to do. And that's also important from our research (inaudible).

MR. KAUFMANN: Back to you.

MR. GITHONGO: Okay. Yeah, my friend, (inaudible), I distinguish state-building and nation-building. The two are very different. In some cases we have very strong states. Kenya's had a very strong state because the state was created, in fact, to fight the Mau Mau. The same thing in Zimbabwe, which was created under similar conditions. Same case in South Africa: a small settler community; exclusive not

inclusive; very strong security services; one of their characteristics is to use disproportionate violence whenever problems appear, you know. So they're an occupying force. They are handling the natives, in other words.

So we don't have so much of a state problem in some of our countries. I agree there are some countries in Africa where that is an issue, where the basic instruments of a state that could function and deliver health and education weren't there, but major advancements have been made. What I am talking to -- speaking of is nation-building. It's a completely different project from building a state, with a flag, a national airline, et cetera, et cetera, and own currency with a photograph of the president maybe. That is time that we have wasted really on small, little things.

I think that when I talk about nation-building I'm talking about creating a sense that is there, not only amongst people within countries, but as Africans generally, a common sense of history and of destiny. Now, I'll tell you I don't know whether you followed the fortunes of a small football team from the south of Congo called TP Mazembe. You know TP Mazembe?

MR. KAUFMANN: Yeah.

MR. GITHONGO: Now, TP Mazembe's a little, itty-bitty team from the south of Congo --

MR. KAUFMANN: Fantastic.

MR. GITHONGO: -- that then went all the way up and all Africans were following TP Mazembe. So there is a very definite sense of us as a people that our leaders have deliberately not built on. A few have. You know, Nyerere tried; Sékou Touré tried; Thomas Sankara tried. They usually get bumped off somewhere, you know. During the Cold War (inaudible) they all get bumped off when they speak this language.

But we are also at another important moment when you look at the African Union, which is much criticized, but we're at an important moment. Really after the South African independence, the OAU didn't really have anything to do because the Liberation Committee was the only committee of OAU that's really worked as fighting for independence in South Africa and Rhodesia, et cetera, to end colonialism, you know, in Southwest Africa and Namibia, et cetera. The moment those countries became independent OAU sort of lost its way a little bit. But two of its cardinal principles have been set aside recently -- or not so recently, but are significant that we haven't taken into account.

Number one, there used to be a principle of non-interference in the affairs of member states; that if you are a president of a country, of my neighboring country, and now is president of this country and you start killing -- doing a genocide in your place, that is your problem. That has ended. We have African Union troops in Somalia now. We have had interventions in West Africa by ECOWAS, et cetera. I think that's a very positive development. It is -- the resources are not enough and we are still learning, but that's a very positive development.

We have this month the other really bizarre principle has been that the borders that we inherited from the colonial masters cannot be violated. Bizarre, you know. They were drawn up by a group of people sitting in Berlin, drew lines on a map, divided communities, and so on. But we said you can't play with them because once you start with them, chaos can reign. But South Sudan becomes a country later this month. And I think that that principle is going out of the window in another way as well in terms of regional integration. And I mean not just this regional integration of presidents meeting once in a while to agree and sign things, but we talk about common currency, a common

Central Bank, removal of tariffs that facilitate the free movement of people and goods, when you have a common army. We should do all these little countries with little armies that can't fight anybody. All they do is kill their citizens. You cannot -- you're invaded anybody; they can't put up a fight. So you can get rid of the majority of them.

Now, it's people -- as I said, people call me a sentimentalist, an Africanist on that, but we're being forced in that direction in some countries by what's happening in that we have certain small, landlocked countries with huge budgets that they're not going to be able to manage. It's a political crisis, a political time bomb that is going to explode. Either they let it explode or they quickly allow themselves to be subsumed into larger entities that will diminish even these parochial divisions we have along ethnic lines. So I'm talking about nation-building, which is a deliberate project, not state-building, where everybody wants to have an airline with a flag, with a national currency. I have no hang-ups about that. I have not hang-ups about the borders. The sooner they go, the better. All of us having to use a passport to go to Uganda, to -- it's embarrassing really to still be in that kind of state, but that's my own opinion.

Ambassador Toure, you raised a very good point. But you had the answer in 1236. This system, why are you afraid of throwing away the elements of it that are confusing or won't work? It takes that courage to say, you know, actually we've had from the 13th century a system with a great empire that served our population very well, that people understand that helped us to resolve disputes. It needs improvement to be able to function in this modern world of financial transactions and that. That is understood. But the key elements of what worked before, especially with regard to the basic human relations, domestic relations -- marriage, death, you know, that kind of thing -- can be handled traditionally in that kind of context we've had for a long time quite well if

a population wants to do it. They just need the courage to say, listen, you know, we inherited some baggage here of some laws we don't understand. If you -- your esteem position, sir, can say that there are some parts you don't understand, then it means the majority in your country also don't understand. Get rid of the ones you don't understand, keep the ones that you need, and then on that I think it's entirely possible if there is the will to go to people from the bottom up to get them to understand those property rights and that kind of thing, and that this is the way things work. And when people accept them, they internalize them and they're able to share them and it moves very, very quickly.

I think that in Mali you had the answer and you took on the problem, which you went the other way around. That would be my response. We should borrow from you.

MR. KAUFMANN: And (inaudible).

MR. GITHONGO: Sorry, on food security, my sense is still -- and I'm not an expert here. Professor, I think you're doing much more thorough research with regard toward governments are trying to do in this regard (inaudible). I don't get the sense of any coherent approach with regard towards going -- with regard to what to do, with regard to the coming rise in food prices, let alone fuel prices. There's a tinkering going on with taxes, especially around kerosene, which is used by the poorest of the poor in many countries. But I don't get a sense of a clear policy that is bold to deal with this, which would require a number of countries to meet together, to sit down and agree on a strategy, which wouldn't necessarily be popular with donors and others. It has to be an African strategy.

But my argument for the past two years in Kenya has been that, listen,

on the issue of youth and unemployment and this coming problem of food prices, let us pretend that we have been invaded by a foreign army and treat it as a national emergency and pull together all the nations' resources to deal with this issue. Get the youth employed and deal with mitigating the effects of the rise in prices of these commodities. People can switch to sorghum and other things, but do it as one coherent strategy. Right now it's still a tinkering, technical tinkering that's taking place as far as I can tell. I might be wrong.

There's a question that was asked about this generalizing on Africa. And I'm sorry if I seem to have left that question out. I want to answer it.

You tend -- well, for this kind of discussion it is sometimes difficult not to generalize. But when you are talking -- when you are acting, when you're taking decisions, when you're implementing decisions, then you have to contextualize because the contexts are different in different countries. However, some of the global trends that are taking place across Africa are quite similar. You go down, there are nuances. There will always be nuances. But the generalities you can see, from the end of the 1990s, Africa has generally been on upward growth in terms of GDP growth trajectory.

Now, a lot of that more recently will be composed of the countries which have extractive industries: oil, gold, et cetera. So Equatorial Guinea has a GDP per person which is almost a European kind of standard, but if you go do the ground you'll find that it is worse than Kenya. So I think that it's when we talk, we generalize. And when we act, we contextualize. Otherwise, I'll be standing here and I'll talk about Kenya, talk about Uganda, talk about -- number one.

Number two, that's not my philosophy. My philosophy is the opposite. I believe in generalizing. I believe that we overemphasize, and this is something which

came really from the colonial time in some countries, to divide people, that you are very different. Do you know that you are very different from this group? Yet if you come to a country like Kenya, we have entire communities who will defend themselves, defend their interests to the death. But if you look in the Colonial Office in London, that community was created by a colonial officer who sat down and decided, well, this group and that group and that group seem to speak a similar language. We shall call them so-and-so, and they become the so-and-so. And you go today they'll kill you if you attack them.

So, I mean, that's what I'm saying, we go back to the Mali thing. Why are we hanging on to -- we hang on to things. But if you look into them a little bit, they were invented not too long ago by bureaucrats who were having fun inventing names that now people are killing each other about. That's what happened across the continent and it's sometimes difficult to undo because so much history has gone by.

That's why I say nations are built. They're built deliberately. It's painful. It's bloody. But in those moments across Africa where people have had the chance to be inspired by their own identity as Africans, not just as this group or that group, they have grabbed onto it very tightly, even when it is something that is expressed by a kleptocrat like Mobuto. Mobuto for me is a very -- well, has been a case study of mine for a long time because you cannot study corruption without studying Mobuto. (Laughter)

So I used to enjoy really studying Mobuto very closely. And, of course, what he did Zaire, Congo, was devastating in terms of the economy. And it was the richest country in Africa. It remained very poor. It became very rich, a huge amount of corruption dividing the people, war, et cetera. But now when you stand back, he implemented a policy of indigenization and authenticity, where he told people that you are no longer going to call yourselves by Western names; you're not longer going to wear

suits, you know, and ties. He changed his name from Joseph Désiré to Mobuto, it's a very long name, I cannot remember it. (Laughter) Sorry?

MR. KAUFMANN: Many names.

MR. GITHONGO: Many names. But ever since then, come war, come rain, come shine, come the time they were invaded by seven countries in the 1990s, Congo was still one of the primary engines of musical culture in Africa. Their music was being played from across the continent, whether they're fighting each other or not. Their football team at least were still beating the Kenya team at that time. (Laughter) So it had an effect. It had -- that small little kleptocrat, his little nation-building initiative that he implemented with that, oh, we'll all use these names, we'll dress like this, and up to this day many Africans here, you can tell a Congolese from far by how he's dressed -- (Laughter) -- and the way they speak and they have the whole culture of (inaudible). So these are the points that I am trying to make. But that on the point that was made by Mr. (inaudible) about state-building and nation-building that sometimes it's more steps, but I'm always stunned by how urgently Africans jump on these small steps and the way they (inaudible) for it across a continent.

MR. KAUFMANN: One of the other major bureaucratic inventions of the Western world are time slots, unfortunately, but -- and we're well past or time. (Laughter) But if it's okay with you and everybody, we'll take a quick -- a few more minutes and a quick other round of questions and coming back to you one more time unless we're kicked out.

We're going to start with Minister Siruma. And please, every question brief, to the point, and so will the last comments by John before we finalize. Go ahead.

MINISTER SIRUMA: Thank you very much. A comment on civility.

African countries have had -- ever since they became independent, countries had severe problems of stability. Our Congo, Uganda, so many others were unstable. And during perhaps the last 20 years or so, we started to emerge from that instability, political instability, and started to grow economically. So now it's a bit tough and sad when you say that this growth actually is resulting in inequality and somehow we have to look for another solution.

I just wanted to commend you that many problems are issues and time is not there: the issues of impunity and so on. I wanted to say that of all the solutions you've given, you left out the issue of leadership and here I want to commend you specifically for your courage and sacrifice because without such courage and sacrifice, sacrificial leadership, I think we cannot remove the corruption and impunity and so on. And I believe that this is -- will be the key factor in the future in helping us to bring about growth with stability. Otherwise, this (inaudible) and youth (inaudible) and unemployment and so on will plunge us into another round of instability, which would be unfortunate. It's the last thing that we want. So we have to sacrifice a little bit more, you know, to make sure that we have leadership that maintain stability. Thank you.

MR. KAUFMANN: Thank you. Let's go to this fellow, very brief question.

MR. MAHTI: Yes. Thank you very much. My name is Moyick Mahti and I had just one question.

You were saying that basically the root of poverty would be inequality, right? And in countries in Africa, a lot of times we see this big gap where we have a gap between the people with and without. How would you suggest that that gap is shortened?

MR. KAUFMANN: Can we go to the very back, to the lady in the very

back?

MS. DUE: Hi. My name is Atteno Dure, a recent graduate from SAIS and I'm also from Kenya.

My question has to do with the drug problem in Kenya. Just from your own experience, how serious do you think the problem is? I know the prime minister once stated that the Nairobi Stock Exchange, for example, is run by drug money. And we also know that our financial system is also the drug money's entrenched into it. So we reached a point in Kenya where we cannot address the drug issue without actually hurting ourselves and hurting our economy.

MR. KAUFMANN: I will take one more.

MR. KAZLEWICKI: Thanks. Jeff Kazlewicki with the Department of Commerce.

MR. KAUFMANN: U.S., right?

MR. KAZLEWICKI: U.S. Department of Commerce.

MR. KAUFMANN: They've got many departments (inaudible).

MR. KAZLEWICKI: Worth clarifying. So I work on pressing governments to criminalize bribery of foreign public officials and wondering what can be done to ensure in the light of some of those renewed trade links with China and other countries that may bring with them increased corruption. What can be done to ensure that the private sector and foreign trade is part of the solution, not part of the problem?

MR. KAUFMANN: Can you give the mic -- behind you there was somebody who wanted to ask a question.

MR. ANSAH: Hi. My name's Michael Ansah. I'm from the National Endowment for Democracy.

I was wondering if you could speak about how civil society in Kenya specifically should reorient itself in the face of the coming devolution.

MR. KAUFMANN: And we'll take one more question.

SPEAKER: Hi. My name's (inaudible) with the Ark Foundation and my question is about nation-building.

Do you think now that countries in Africa are starting to change that it's time to change the way the countries trade internationally whereas it hasn't been fair. For example, European companies will mine diamonds in Africa, take the diamonds to Europe, sell them in Europe, make huge profits, but Africa sees little profits. Do you think it's time that Africa starts taking control of the resources that they have and start trading them among themselves for them to gain profits and build themselves up economically as nations?

MR. KAUFMANN: John.

MR. GITHONGO: Okay. Let me see, yes, on the time thing, don't worry.

(Laughter)

Yeah, I think, Minister Siruma, you know, I think that there's leadership everywhere and at every level that is blossoming in Africa that can see some of these things happening. We have been use to the leadership of the big chief, who is all present, you know. His photograph is in every office, he's on the currency. But I think that's cagey, partly because when we became independent we were fighting three things: ignorance, poverty, and disease. We've made some major strides in terms of education. Also the information revolution has allowed Africa to jump from third world to first world, some of the greatest innovations being happening with regard to mobile telephony are happening in Africa, not here in the West, in terms of mobile banking and that kind of

thing.

Health, you know, some of the big (inaudible) over there, smallpox, et cetera, and (inaudible) dealt with, and so that has created perhaps a critical mass. Also, a lot of Africans have come out, have also learned how the system works here and they continue to feedback to Africa, not only in terms of remittances, but in terms of knowledge. That's the most important and we have to make that a bit easier.

I think I see, you know, well, I'm a Kenyan, so I have a difficulty here: we have an African-American President with Kenyan roots here in the United States. And so in terms of leadership, some of the challenges that we faced I think we have overcome.

I am not -- I would hate to be proven wrong, but I don't think -- even (inaudible) Bukasa, Idi Amin. You remember these strange characters who came onto the scene in the Cold War. I don't see the likelihood of some of them appearing at a national level, top national level in this environment we have now in Africa.

If we don't manage the youth (inaudible) properly, young gang leaders, youthful gang leaders will make it into positions of leadership. We're already seeing that in a country like Kenya, where young people who are from very dubious backgrounds are able to make it into public office. It's something that we need to deal with. So I am not too pessimistic on that front.

I think you mitigate inequality, first of all, by acknowledging that it's difficult because when you're dealing with inequality, you're necessarily dealing with those who have the wealth. They're quite powerful and they're not necessarily interested in you dealing with inequality because you're dealing with the people who have the power and the money. So that's -- first of all, you recognize that.

Secondly, you recognize that you're not going to have stability unless

you deal with this issue. And, therefore, you acknowledge openly that certain regions, certain people, certain communities have historically been marginalized, been left behind. And even the statistics show it, life expectancy, child mortality will show it. And we have a duty of care to invest specially for those groups, for women, for groups that have been historically left behind. I think that goes a long way in lowering -- you can't do it overnight, but just starting it lowers the political temperatures for you to be able to do other big things that you need to do to develop the stability. But you have to start it and you have to -- by creating an inclusive administration, the technologies and these issues begins to deal with it. Once you begin to deal with them, Africans are very patient people. They'll wait. They say so long as you're doing the right thing and not stuffing your pockets, they'll give you time to pull something off.

(inaudible) asked a question about the drug problem. It's a major problem. We know it's a major problem. By its very nature it's not an easy problem to go out and study. You can see the effects of it, especially at the coast in Kenya and in urban areas. And this has dramatically increased since around 2003, so we definitely have a serious problem. Quantifying it is difficult. They don't keep receipts or that kind of thing. So it's -- even though I'm aware of -- I mean, for me what I can tell by the number of organizations that have come to my organization over the past six months, there's about four different major organizations have come, we've come to study illicit flows and drugs in Kenya. Illicit flows and drugs in Kenya, so it's become a big issue.

MR. KAUFMANN: You could do a sort of a discotheques --

MR. GITHONGO: Sorry?

MR. KAUFMANN: -- and that's how you find out.

MR. GITHONGO: Well, discotheques, casinos, supermarkets, their

proliferation is an indication and we have that happening, massive malls and that kind of thing that show (inaudible) with equity. You know, not with any loan. So you begin to wonder where the money came from.

MR. KAUFMANN: Drug kingpins.

MR. GITHONGO: And, of course, much more recently, the U.S. Government named two Kenyans as kingpin -- drug kingpins. President Obama signed -- this was the 2nd of June. I don't yet know what it means, but I have done a Google search of some of the other names on that list. There are only two Kenyans out of seven people on that list, and some of the Mexicans -- extremely unpleasant fellows. (Laughter) So that's very disturbing that we should be in that kind of company, you know. It's very -- for me it was very disturbing. And I said, ah, these people have done all these things. How did we end up? We had International Criminal Court and we also -- drug kingpin.

And Jeff asked a question with regard to international trade, how do you deal with corruption? I think we deal with it within each context. We start in the countries that have extractive industries and we start especially with countries that face the danger of seeing their environment decimated by these trading relationships that are being developed, and for people simply just to think about that actually, you know, those massive rain forests in Gabon, Cameroon, Congo are not ours. We are protectors of them for our great-great-great-great-grandchildren. But they can go in two generations if we're not careful.

And we are sometimes not smart. We use our relationships with China and India to leverage our relationship with the West, which is a waste of diplomatic energy. We should have our own strategy of how we deal with the West and how we deal with China. And if they don't conform, it's up to them since we have what they need.

Michael asked a question about civil society and devolution. What do you do? Civil society will have to devolve, that's a simple answer. You devolve civil society.

The days when you have civil society sitting in the capital city and you have this incestuous relationship between NGOs, the international community, national media, all talking to each other and agreeing with each other is gone. You have to devolve to the grassroots and to units that are practical at that level.

Mr. (inaudible), I couldn't agree with you more. I think if you look at the trade statistics for COMESA, the COMESA region, you realize that that trend has already been happening. Since the '90s, Kenya's, for example, biggest trading partners were (inaudible) and COMESA. And, you know, that makes the development of infrastructure in the region all the more important.

When the Tahrir Square happened, many reactionaries in Africa said, oh, don't worry, tribalism will save us. We cannot have a Tahrir Square here because we are too tribalistic. We cannot have it. Tribalism will be the savior of us, which I think is, you know, is not a theory that has been tested, number one.

Number two, it's then people woke up that Egypt is the number one import of Kenyan tea in the world. You know, we talk of exports of tea, but our primary person who -- the people who buy it, who drink our tea, are Egyptians. And they began to make all these connections that already exist, and I think that's a very positive thing and long may it develop.

MR. KAUFMANN: Thank you. I think on that note, and I'm sure there may be some more questions and if you can stay a few more minutes I'm sure you're going to be surrounded by people, but we're already a half an hour after time. (Applause)

Thank you so much, John.

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