William Ruto sworn in as Kenyan President as IMF demands austerity

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William Ruto has been sworn as Kenya’s fifth president since independence in 1963. He is set to impose International Monetary Fund (IMF) austerity measures and wage class war against workers and the rural masses, as prices soar.

On Tuesday, Ruto took his oath of office in Nairobi’s Kasarani Stadium a week after his election was upheld by the Supreme Court. Ruto’s electoral rival, Raila Odinga, had alleged mass electoral fraud and sought to annul the August 9 election’s result that gave Ruto 50.5 percent of the vote against Odinga’s 48.8 percent. The court unanimously dismissed the appeal.

Ruto won the elections by styling himself as an outsider and a “hustler” against Kenya’s ruling “dynasties,” combined with anti-Chinese demagogy. Bourgeois papers presented him as the son of “a peasant farmer who went barefoot and sold chickens for school fees” (in words of The Star) to become Kenya’s fifth president, fighting the Kenyatta and Odinga political dynasties.

At the inauguration, Ruto pledged a Hustler Fund to boost business, “dedicated to the capitalisation of micro, small and medium-sized enterprises … to make credit available on affordable terms that do not require collateral;” a Judiciary Fund to increase the number of small claims courts; to appoint six judges rejected by former president Uhuru Kenyatta over alleged integrity issues; to introduce new fertiliser prices; measures to increase police autonomy from the executive; and measures to “make fertiliser, good quality seeds and other agricultural inputs affordable and available.”

Ruto has nothing to offer to working people. The deepening economic, social and military crisis underway globally has no solution within the borders of Kenya. Confronting an upsurge of the class struggle, amid growing concerns about food insecurity, unemployment, war, and surging prices, Ruto will turn to austerity, police-state measures, his imperialist backers in Washington and London, while whipping up communalism and Christian bigotry.

Kenya is one of the highest countries on the list for civil unrest according to Verisk Maplecroft, a UK-based risk consulting and intelligence firm. Last May and July, rising food costs spurred protests in Nairobi under the hashtags #LowerFoodPrices and #Njaa-Revolution (hunger revolution in Swahili). It raised the spectre of Sri Lanka, where President Gotabaya Rajapakse fled a country rocked by protests over soaring costs of living and IMF-imposed austerity.

Inequality in Kenya is among the highest worldwide. According to Oxfam, less than 0.1 percent of the population (8,300 people), among which is Ruto himself, own more wealth than the bottom 99.9 percent (more than 44 million people). Fully 7,500 new millionaires are expected to be created in the next decade.

On the other hand, workers, especially youth, face mass unemployment. More than three-quarters of Kenya’s 50 million people are aged under 35, yet youth unemployment is 39 percent.

Kenya’s cost of living, driven by the US-NATO war on Russia in the Ukraine, is soaring, with inflation climbing to a five-year high of 8.5 percent last month. The Kenya National Bureau of Statistics (KNBS) reported that prices of maize flour, sugar and rice rose 4.7 percent, 4.6 percent and 2.9 percent, respectively. Market surveys show that maize and wheat flour, upon which millions of Kenyans depend, have actually risen in price by 67 percent over the last three months.

Tuesday’s speeches already indicate the pretexts the new executive will use to make workers pay for the global economic crisis. Ruto claimed that “clearly, we are living beyond our means.” Ruto’s Deputy President, Rigathi Gachagua declared: “The truth of the matter is that we have inherited a dilapidated economy which almost facing shut down. We have a huge task to liberate this country
and bring it back to where Kibaki left it,” that is, a decade ago.

Gachuga was silent on the fact that Ruto has been deputy president since Kibaki left office.

Ruto will ruthlessly impose the IMF’s agenda. The IMF has classified Kenya’s $70 billion debt as high-risk, with debt at 70 percent of the GDP and debt servicing consuming 63 percent of tax collections. In April 2021, at the height of the COVID-19 pandemic, it granted a 38-month $2.34 billion loan.

Obeying the IMF, Ruto has pledged to eliminate subsidies on unga (maize flour) and fuel, whose prices are expected to soar even further. From October, the Kenya Revenue Authority will impose a 6.3 percent tax hike on excisable goods and services. There an ongoing hiring freeze in the public sector.

The IMF is demanding Ruto implement a national tax policy, which would impact previously untaxed sectors like informal business and agriculture and raise prices for staples like wheat flour and maize. It is calling to raise sales taxes on petroleum products from 8 to 12 percent, that all goods should be taxed at 16 percent, with a minimum rate of at least 12 percent. Civil servants also face cuts, as the IMF calls to slash the public sector wage bill.

Despite Ruto’s pledge to expand democracy, stating, “I will work with all Kenyans irrespective of who they voted for,” his track record says otherwise.

Ruto was mentored by Kenya’s pro-Western dictator Daniel Arap Moi, under whom he became MP for Eldoret North (1998-2013) and Home Affairs minister (2002). Ruling Kenya from the death of its first president, Jomo Kenyatta, from 1978 until 2002, Moi tortured and killed left-wing opponents while amassing a fortune of over $3 billion. He implemented IMF austerity, devastating living standards of the workers and rural masses.

Ruto has a long record of whipping up communalism, the Kenyan elite’s traditional weapon to divide and rule the working and oppressed masses. His political career started 30 years ago as an organising secretary of the Youth for KANU 1992 (YK’92) that lobbied for Moi’s re-election in 1992 in Kenya’s first multi-party elections since independence.

Well-funded and well-armed, Moi used Ruto’s YK’92 to whip up ethnic violence against Kikuyu ethnic groups in the Rift Valley Province. It is estimated that over 600 people were killed and 75,000 displaced in post-election violence.

In the 2007-2008 Kenyan electoral crisis, Ruto organised, paid and armed militias from his ethnic group (Kalenjin) to attack Kikuyus. At least 1,200 people were killed and 600,000 forced to flee their homes amid a rampage of rival militias of Uhuru Kenyatta’s Kikuyu and Ruto’s Kalenjin tribes, wielding machetes, knives, and bows and arrows.

Local broadcasters critical of Ruto were restricted in their coverage of Ruto’s inauguration. Ruto is expected to attack homosexuals’ rights and abortion, having opposed—with church backing—the current constitutional provision authorising abortion if there is a risk to the mother’s health.

In foreign policy, Ruto, who pledged during the campaign to deport Chinese workers in order to whip up anti-China sentiment, is expected to closer align himself with the Washington and London. Ruto has already met two of US President Joe Biden’s anti-China and anti-Russia hawks, US Senator Chris Coons and US Trade Representative Katherine Tai, who attended his inauguration.

Coons is a leading anti-China hawk in Washington, having promoted US House Speaker Nancy Pelosi’s provocative visit to Taiwan. He also called to send US troops to fight Russia in Ukraine, threatening all-out nuclear Armageddon.

By sending anti-China and anti-Russian hawks to Nairobi, Washington is sending a message that Ruto must implement the IMF diktat and submit to the US offensive against Beijing and Moscow.

Ruto cannot resolve the international crises facing Kenyan society. An international movement is emerging in the working class, and it is to this that workers and oppressed masses in Kenya can turn to stop inflation and the imperialist drive to war. Struggles by the working class can and must rally poor farmers and youth and will provide the basis for establishing a government of workers and peasants, committed to socialist policies, as part of the broader struggle for socialism in Africa and internationally.

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