

# Ruto's new Kenyan coalition government to reinstate rejected tax measures

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After two months of youth-led protests that were brutally suppressed by police and state-sponsored goons opposing the austerity-driven Finance Bill 2024, the newly formed “broad-based” government of William Ruto is now reinstating tax increases.

On Saturday, Ruto, now leading a national unity government with the opposition Orange Democratic Movement (ODM) led by millionaire Raila Odinga, hinted at new tax measures to plug a \$2.7 billion revenue shortfall following the forced withdrawal of the International Monetary Fund (IMF) designed Finance Bill on June 25.

The Finance Bill was meant to raise the same equivalent through hikes in regressive taxes, including the sales tax (VAT), unloading the full burden of the economic crisis on the backs of the working class and rural poor.

Ruto said, “We had a good plans with the additional Sh300 billion in the Finance Bill, 2024, but it was rejected. I have told [Malava constituency MP] Malulu Injendi and other MPs here that we go and plan again for new [tax] measures”.

ODM, which postured as sympathetic to the youth-led protests, will play a leading role. The new Treasury Cabinet Secretary is John Mbadi, one of the four opposition leaders from ODM selected by Odinga and approved by Ruto for the government of national unity.

The youth, workers and rural masses are at a political crossroads.

The hated Kenyan ruling class is proceeding to unload the full economic crisis and debt onto the shoulders of the Kenyan masses, already suffering mass unemployment, soaring costs of living, intensified by the COVID-19 pandemic and NATO's war on Russia in the Ukraine. They will continue to conspire and use every weapon and dirty trick at their disposal to divide the youth and workers and crush their resistance.

This will mean continued police state violence, with Ruto's bloody repression leaving at least 60 dead, 601 injured and 1,376 arrests over the past two months. Another 66 people have been abducted or have gone missing, according to the Kenya National Commission on Human Rights.

But it will also involve attempts to co-opt the leaders of the Youth protest movement which declared itself “leaderless and tribeless” into well paid positions within the state machine. Last week, more than 400 young people converged at the United Nations offices in Nairobi for the Africa Youth Forum 2024 to

discuss how African states can engage in “dialogue” with the youth.

*The Guardian* spoke to Faith Norah Lukosi, who wrote a piece in the Kenya's main *Daily Nation* under the title, “Kenya is ripe for revolution led by youth”. Lukosi says that she is “happy my sentiments have been vindicated in 2024... I believe we are on the right trajectory.” But Lukosi's version of a “revolution” is indicated by her representing a national fund meant to assist young Kenyans set up commercial enterprises.

The notorious Nairobi Governor Sakaja Johnson, one of the most corrupt politicians in the country who is allegedly behind sending paid-goons to terrorise and break up protests, outlined the co-option strategy. Speaking at the Forum, Sakaja said, “The young people of Kenya, the Millennials and Gen Zs, are not begging to be heard. If they are not on the table, there is no table... We must listen, we must have discussions with our young people.”

The third strategic pillar of the bourgeoisie's offensive against the workers and oppressed masses is the trade union bureaucracy, led by the Central Organization of Trade Unions (COTU-K), comprising 36 trade unions representing over 1.5 million workers. COTU has refused to mobilise its members against austerity and state repression. Amid mounting anger and calls to strike action among teachers, university staff, healthcare workers, civil servants, coffee workers, among others over wages, precariousness and subsidy cuts, COTU is promising to suppress the class struggle.

On Tuesday, COTU Secretary-General Francis Atwoli met with Labour Cabinet Secretary (CS) Alfred Mutua to offer his labour police services. Atwoli said, “I called upon the new CS to ensure that he strictly observes social dialogue to strengthen industrial relations in the country and ensure industrial peace”.

COTU's affiliated, the Kenya Aviation Workers Union has already acted on this perspective. It called its members on strike last Monday against privatisation plans involving the sale of Jomo Kenyatta International Airport (JKIA), only to postpone it for two weeks pending “dialogue” with Ruto.

The only way to oppose this political conspiracy is by the working class and youth building an independent movement for socialism across Africa and internationally to fight against IMF austerity, the escalation of war and police state rule that are rooted in the capitalist system.

The Gen Z protests, fuelled by deep social inequality, widespread unemployment, and unbearable living costs, reveal the necessity for a political struggle against the entire Kenyan political

establishment, the capitalist state, and the forces behind it—the IMF and the major imperialist powers of the US and Europe.

Ruto's decision to withdraw the Finance Bill 2024 was a tactical pullback to stem mass opposition sparked after the events of Bloody Tuesday (June 25), when police gunned down dozens of austerity protestors on the streets of Nairobi and across the country. It was part of a conspiracy hatched among the ruling class, involving ODM, COTU and influential Christian and Muslim clergy, closely assisted by the US and European Union, to buy time.

This fraud was promoted by pseudo-left tendencies like the Revolutionary Socialist League, a section of the International Socialist League (ISL), which claimed, "The people of Kenya have achieved a very significant victory," and the Stalinist Communist Party of Kenya (CPK), which declared that "the Kenyan masses" had "forced their hand." Both focus on the demand that Ruto personally resign, failing to address what sort of regime should replace Ruto. Even now the CPK presents a battery of reforms with no explanation of who is to implement them.

The pseudo-left insist that protests must be "leaderless", "not politics" and "no banners". Ezra Otieno, a leader of the RSL, told the Australian pseudo-left group Socialist Alternative:

"I think this is a good tactic not to have leaders emerging for now, because the government is actively looking for leaders. [...] As the RSL, we go there with a purpose, because we must be in solidarity with the masses—we fully agree with what they say. So we go to the streets, we try to organise our people. When joining in, we do not carry banners as people just go without anything, to move around."

The CPK, while claiming to that "Our immediate task is to build the highest level of organisation with the best leaders to govern a post-Ruto Kenya. We must counter the narrative that the people in the streets are leaderless, tribeless, and anarchists", offers as an alternative an ambiguous "pro-poor people organisation".

It states, "Our campaign must clarify that the masses demand genuine, people-centric leadership. We must lay the groundwork for a formidable pro-poor-people organisation with selfless leaders."

The sole purpose of such a leadership would be to control popular discontent, arguing that this would "deflate government propaganda that misrepresents our movement and its aims."

Both tendencies are hostile to the independent mobilisation of the working class and the fight for a socialist and internationalist programme. Representing sections of the upper-middle class, they insist that workers and young people must be confined to street protests to reinforce appeals to the parties of the bourgeoisie. By opposing any struggle for the building of a socialist leadership in the working class, the CPK and RSL sow disorientation leading to an eventual demobilization.

If anyone wants an example of how such supposedly "leaderless" protests led to the creation of capitalist "pro-people" parties, one should look at Spain. There, the indignados protests broke out in 2011, after working class uprisings toppled dictatorships in Tunisia and Egypt. The revolutionary offensive of the working class in North Africa won the political sympathies of workers and youth in Spain and internationally. Imitating the

occupation of Tahrir Square, thousands of youth occupied squares in Madrid, Barcelona, and cities across Spain protesting draconian European Union-imposed austerity and mass unemployment after the 2008 capitalist crash.

Political forces akin to Kenya's CPK and RSL, Spain's Anticapitalistas, intervened to advance demands for "no-politics," "no leadership" and a "horizontal" structure. Without an orientation to the working class, these gatherings ended in empty discussions dominated by Anticapitalistas, which ensured the radicalised youth were fenced off from workers' struggles.

What emerged out of this movement was the "Left Populist" Podemos, a party created by Stalinist forces and Anticapitalistas that went on to rule with Spain's main capitalist party, the Socialist Party (PSOE), from 2019 to 2023. Under Podemos, the government handed out billions of euros in EU bailout funds to the banks at the expense of impoverished workers as inflation surged across the world economy. It imposed austerity, smashed strikes, increased military budgets and armed both the Ukrainian and the Israeli regimes for war with Russia and with the Palestinian people.

Kenyan youth must not follow this path. Those who preach "no politics" and "no leadership" serve to maintain the stranglehold of the prevailing politics of the bourgeoisie and its petty bourgeois accomplices and is solely a means of preventing workers and youth from adopting a socialist political alternative.

The only force that can successfully combat the Kenyan bourgeoisie and the powerful imperialist forces that stand behind it is the Kenyan, African and international working class. This would transform every factory, plantation, and neighbourhood into a centre of resistance to the policies of the IMF and its political stooges in the Kenyan ruling class.

The critical question is how to turn the Gen Z movement to the working class and the working class to the Gen-Z movement. For this the working class and rural masses require their own worked-out political perspective of revolutionary social change on an international scale. Workers must mobilise their independent class strength in the fight for a socialist action programme to oppose austerity and the IMF and secure decent jobs, healthcare and education for all.

It means uniting the working class across racial, tribal and gender lines and across national borders in a fight for socialism.

The conditions fuelling the powerful Gen-Z movement exist not only in exist in Kenya, but across Africa and the entire world. The key task is to provide this movement with political and programmatic direction by building sections of the International Committee of the Fourth International in every country.



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