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Advance Access Publication 22 July 2022

FITTING CHINA IN: LOCAL ELITE COLLUSION AND CONTESTATION ALONG KENYA'S STANDARD GAUGE RAILWAY

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ABSTRACT

Scholarship examining African agency towards Chinese development projects typically focuses on negotiations between African national elites and Chinese actors at the inception and policy formulation phase, a period which excludes local elites and public participation more generally. This gap between the policy formulation and policy implementation phases in the project cycle can, however, be exploited by local elites at the periphery of power to serve as a channel of influence over the distribution of foreign-derived patronage. Using opportunities posed by elections, these local elites assert their claims to the spoils of patronage with national elites through strategies like protest, bargaining and co-optation. This article investigates how the implementation phase of the Chinese-funded Standard Gauge Railway presented opportunities for collusion and contestation over foreign economic largesse amongst Kenya's national and local elites, underscoring the multi-actor aspects of African agency and, concurrently, those structural and temporal factors that enable and shape such agency.

Introduction

IN THE EARLY 2000s, CHINA'S RENEWED ENGAGEMENT IN AFRICA WAS FREQUENTLY FRAMED AS A RELATIONSHIP IN WHICH CHINESE STATE ELITES DOMINATE THE AGENDA, thereby portraying African counterparts as pliant and subservient.¹ Underlying this framing was the assumption that China is a strong state acting strategically to safeguard its national interests through

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1. Ted Fishman, *China, Inc.: How the rise of the next superpower challenges America and the world* (Simon and Schuster, London, 2005).

the provision of loans, trade exchanges, resource extraction, manufacturing and infrastructure development. However, scholarly interests subsequently shifted to the role of African agency in directing China's engagement to support the interests of African states.² As China has expanded its presence in various countries, the scope of its engagement has traversed sub-national territory, thus invoking new dynamics beyond the centre where state agency has predominantly been highlighted. This penetration of the periphery by Chinese-led resource and infrastructure projects affords local elites an opportunity to extract concessions over the life of these projects, producing new elite bargains and ultimately integrating Chinese interests more fully into the African political economy. This article therefore explores the dynamics of competing African elite interests both at the centre and periphery of one Chinese-funded mega infrastructure project—the Standard Gauge Railway (SGR) in Kenya—underscoring the multi-actor aspects of African agency and, concurrently, those structural and temporal factors that enable and shape such agency.

This article is situated within the burgeoning literature on African agency and relations with China. Its key theoretical contribution is in identifying and analysing the patterns of collusion and contestation between national elites at the centre of power and local elites on the periphery as they seek to extract rents from Chinese mega-projects. These transpire over two distinctive phases in the life of such projects: The first being the formulation phase characterized by Chinese and national elites' non-transparent bargaining and collusion over the terms and resource distribution of the project and the second being the implementation phase which involved the actual construction of the infrastructure and the commensurate contestation by local elites and communities seeking resources from the project. This distributive impulse reaches, in the Kenyan case, an inflection point with the onset of a national election that produces an opportunity for national and local elites to devise new collusive strategies to secure additional resource rents from the Chinese mega-project. The case of the SGR illustrates how Chinese policy towards Africa is increasingly subject to the domestic logic of inter-elite (national and local) bargaining through episodes of collusion and contestation aligned to phases in the project life cycle.

A second contribution made by this article is empirical and in the domain of China–Africa studies in that it unpacks some of the key features of the process of national elite collusion with Beijing in the project formulation phase. While the SGR has been subject to academic enquiry, most notably

2. Giles Mohan and Ben Lambert, 'Negotiating China: Reinserting African agency into China–Africa relations', *African Affairs* 112, 446 (2012), pp. 92–110; William Brown, 'A question of agency: Africa in international politics', *Third World Quarterly* 33, 10 (2012), pp. 1889–1908; Sophie Harman and William Brown, 'In from the margins? The changing place of Africa', *International Affairs* 89, 1 (2013), pp. 69–87.

by Yuan Wang and Uwe Wissenbach's study and more recently Wang's work on the efficacy of China–national elite collusion in producing 'political champions' for mega-project delivery, our research casts a decidedly critical gaze on national and local elite bargaining and collusion during the SGR process.³ It is the closed character of the SGR's project formulation phase and subsequent partial disclosures through parliamentary hearings and other investigations that induced anger amongst local elites and communities at the margins of national elite bargaining. They went on to engage in rent-seeking strategies including protests, legal challenges and political mobilization in the pursuit of resource allocation for themselves and their communities. Our study focuses on these aspects of the SGR project, highlighting how the domestic dynamics of national–local elite contestation and collusion operate in fostering conditions for the 'capturing' of Chinese mega-projects and their gradual integration into the African political economy.

In terms of methodology, this article draws on extensive primary sources, including more than 30 in-depth interviews with purposively selected key informants carried out between 2015 and 2021 to shed light on the interaction between Chinese elites, Kenyan national and local elites as well as civil society organizations involved in the formulation and implementation of the SGR. Participants included Kenyan government officials in the ministry of foreign affairs, the national treasury, the ministry of transport and infrastructure, the Kenya police service, members of parliament, representatives of civil society organizations and academics familiar with China–Africa relations. Participants were identified on the basis of their experience and expertise in dealing with the Chinese in Kenya, in studying Kenya–China relations and knowledge of the Kenyan policy environment with respect to Chinese engagement in different sectors and regions. Interviews were guided by the following thematic areas: National elite collusion during the inception of the SGR project; the inclusion of local content and the role of civil society; centre–periphery relations and the role of elections in legitimizing the SGR project.

Like other research on political patronage with illicit dimensions, we initially faced difficulties in linking powerful individuals to the outcome of the SGR. Their involvement in the SGR corresponded to Michael Taussig's notion of 'public secrets', which can still be treated as social facts but remain obscured because of the intricate web of elite relationships.⁴ Triangulating evidence through both primary and secondary source

3. Yuan Wang and Uwe Wissenbach, 'Clientelism at work? A case study of Kenyan Standard Gauge Railway project', *Economic History of Developing Regions* 34, 3 (2019), pp. 280–299; Yuan Wang, 'Executive agency and state capacity in development: Comparing Sino-African Railways in Kenya and Ethiopia', *Comparative Politics* 54, 2 (2022), pp. 349–373.

4. Michael Taussig, *Defacement: Public secrecy and the labor of the negative* (Stanford University Press, Stanford, 1999), p. 5.

materials, including off-the-record interviews with public sector officials, proved to be critical in substantiating the role of elite actors as presented through the discourse of social facts. Notably, in the case of one allegedly powerful ‘political fixer’ of the SGR deal, Jimi Wanjigi, his own presidential ambitions compelled him to conduct public interviews in 2022. These public interviews provided the necessary affirmation of key aspects of his role in the SGR decision-making process, corroborating information in off-the-record interviews we had conducted previously.⁵ Finally, a raft of secondary sources on Kenya–China relations was reviewed, including public documents, the so-called grey literature and academic articles to contextualize and provide further support for our assessment and findings on the shadow conduct of elites involved in the SGR deal.

African agency within China–Africa relations

One of the recent scholarly contributions to our understanding of the dynamics of Africa’s China policy-making process is the focus on the role of African political elites in directing China’s engagement to support the interests of African states. A number of studies usefully highlight various forms of African agency. For example, Giles Mohan and Ben Lambert argue that ‘African actors have negotiated, shaped, and even driven Chinese engagements in important ways’.⁶ Lucy Corkin ascribes considerable agency to Angolan national elites when negotiating with their Chinese counterparts.⁷ Similar sentiments are echoed in Aleksandra Gadzala’s edited volume where authors demonstrate how African political elites in Nigeria, Angola, Ethiopia, Ghana and South Africa amongst others are skilful at obtaining concessions from the Chinese state.⁸ The authors show how African actors take advantage of the presence of China to advance their interests. Although state-level collaboration in China–Angola relations is viewed as complementary, Cheryl Mei-Ting Schmitz avers that ‘individual interpersonal relationships at the micro-level remain fragile’.⁹ Indeed, as Ian Scoones et al. argue, it is at the micro-level that ‘negotiations are played out when a project is unfolding on the ground and [are] critical in shaping the direction and outcome of an intervention’.¹⁰

While these contributions have been insightful, according to Pdraig Carmody and Peter Kragelund the focus on African agency may

5. Jimi Wanjigi, television interview, <<https://youtube/r6216-MVOEQ>> (25 January 2022).

6. Mohan and Lambert, ‘Negotiating China’, p. 92.

7. Lucy Corkin, *Uncovering African agency: Angola’s management of China’s credit lines* (Routledge, London, 2013).

8. Aleksandra Gadzala (ed.), *Africa and China: How Africans and their governments are shaping relations with China* (Rowman & Littlefield, Lanhan, 2015).

9. Cheryl Mei-Ting Schmitz, ‘Significant others: Security and suspicion in Chinese–Angolan encounters’, *Journal of Current Chinese Affairs* 43 (2014), pp. 41–69.

10. Ian Scoones, Melissa Leach and Peter Newell (eds), *The politics of green transformations* (Taylor and Francis, London, 2015).

unknowingly fortify ‘internalist’ views of African underdevelopment, in that positing African elites as drivers in their engagement with China assumes that African elites may have sufficient power to structurally alter China–African relations.¹¹ They argue that the power of African elites is only limited to bargaining, not structural change, concluding that there is a need to:

go beyond the rather static and one-dimensional concept of agency...and instead deploy *assemblage thinking*. Doing so forces us to emphasize the provisional and spatial nature of social change and acknowledges that power is co-existing, multi-dimensional, and in constant transition.¹²

Jon Phillips takes this further, noting that the prevailing ‘methodological nationalism’ amongst proponents of African agency emphasizes states as the unit of analysis, decontextualizes their embeddedness within transnational capital and, consequently, misreads the degree to which putative agency is constrained by the structure of the international system.¹³

Moreover, this literature’s focus on the bilateral, macro-level dimension tells us little about how this engagement is manifested within the domestic environment of African states and its multi-actor cast comprising Chinese elites, African politicians, businessmen, bureaucrats, civil society actors and local communities.¹⁴ This is especially so regarding the multiplicity of actors at the sub-national or local levels who experience the impact of Chinese-financed infrastructure projects directly as roads, dams and bridges cutting across their once-remote or under-served regions. Their response to large-scale development initiatives is complicated by the frequent failure of governments to either involve them in the project formulation or include them in the distribution of resources such initiatives invariably represent. As Giles Mohan notes, the preference of African national elites and their Chinese counterparts for some kind of ‘... inter-elite brokerage which tends to bypass domestic debate and accountability’ contributes to a widening of public mistrust.¹⁵ Themes such as how

11. Pdraig Carmody and Peter Kragelund, ‘Who is in charge? State power and agency in Sino-Africa relations’, *Cornell International Law Journal* 49 (2016), pp. 1–24.

12. Carmody and Kragelund, ‘Who is in charge?’, p. 5.

13. Jon Phillips, ‘Whose in charge of Sino-African resource politics? Situating African state agency in Ghana’, *African Affairs* 118, 470, pp. 101–4.

14. Ben Lampert and Giles Mohan, ‘Making space for African agency in China-Africa engagements: Ghanaian and Nigerian patrons shaping Chinese enterprise’, in Aleksandra Gadzala (ed.), *Africa and China: How Africans and their governments are shaping relations with China* (Rowman & Littlefield, London, 2015), pp. 114–122. Also see Folashade Soule-Kohndou, ‘Bureaucratic agency and power asymmetry in Benin-China relations’, in Chris Alden and Dan Large (eds), *New directions in Africa-China studies* (Routledge, London, 2017), pp. 189–204.

15. Giles Mohan, ‘China in Africa: Impacts and prospects for sustainable development’, in Sam Hickley, Kunal Sen and Bardru Bukenya (eds), *The politics for inclusive development:*

domestic distributive patronage networks impact upon and shape African elite initiatives to extract value from China are yet to be fully explored. So too, the dynamics of patronage and the pursuit of rent-seeking activities by African local elites operating in peripheral regions and marginalized communities where Chinese mega-projects are constructed also remain under-examined. How do local elites respond to these mega-projects and what are the circumstances that enable them to secure resources for themselves and the marginalized communities whom they represent?

Evidence presented in the case below suggests that the disconnect between policy-formulation and policy implementation in the process is exploited by domestic patronage networks at the periphery of power within the state to reassert their claims to national resources through strategies such as protest, bargaining and co-optation. Notably, it is at the implementation phase that structural specificities of the domestic political system (such as the election cycle) manifest and become important channels of influence over the distribution of patronage derived from bargaining with foreign actors. This leads us to the conclusion that insights into African agency towards China are to be found in unpacking the relevant literature on national elite and local elite dynamics in the African political economy, which we do below.

Differentiating elites in multi-actor agency

Elite theories focus on the nature of African regimes and how elite patterns of conduct and strategies of accumulation shape the formal and informal exercise of power.¹⁶ Relations between local (African) and external (foreign) elites can be characterized as vertical, either explicitly or sometimes implicitly, with African elites in a subordinate position to external actors. National elites replicate vertical relationship with local elites, whose position on the periphery of power renders them dependent upon the state largesse dispensed by the central government; in turn, local elites can facilitate access to regional resources or confer legitimacy upon their powerful patrons. Christoph Vogel captures the relationship succinctly: 'Patrons and clients bring resources to the table: patrons command skills, information and capital, while clients offer economic, political or military support.'¹⁷ These patronage networks foster a pattern of asymmetrical inter-dependency with spatial and material dimensions, binding national

Interrogating evidence. Oxford Scholarship Online, <<https://www.oxfordscholarship.com/view/10.1093/acprof:oso/9780198722564.001.0001/acprof-9780198722564-chapter-11>> (17 December 2019).

16. John Higley and Michael Burton, *Elite foundations of liberal democracy* (Rowman & Littlefield, Oxford, 2006), p. 7.

17. Christoph Vogel, 'The politics of incontournables: Entrenching patronage networks in eastern Congo's mineral markets', *Review of African Political Economy* 48, 168 (2021), p. 181.

and local elites together in relations that experience episodes of coercion, conflict and collusion over time.¹⁸

Elite relations in China–Africa ties are the focus of Ana Cristina Alves and Sérgio Chichava’s research on Lusophone Africa; their findings suggest that African elite agency towards China ‘has proven, in most cases, to be self-serving and anti-developmental’.¹⁹ Obert Hodzi’s work corroborates this, declaring ‘political elites from African countries have merely replaced their dependency on aid from Western countries with dependency on bilateral concessionary loans and development assistance from China’.²⁰ In this account, the logic of asymmetrical power relationships—African elites and the forms of dependency towards their external counterparts such as the USA or European countries—is replicated in their engagement with Chinese elites. Lampert and Mohan assess Chinese entrepreneurs’ efforts to build profitable networks by forging personal ties with state and business elites in Ghana and Nigeria.²¹ Problematizing the engagement between African elites and Chinese elites, Ian Taylor unpacks the concept of ‘agency as corruption’ in the Nigeria–China relationship, integrating the literature on agency with established concepts of prebendalism and clientelism.²² His focus on the reaction of ‘counter-elites’ outside of national elite networks offers useful insights into societies defined by the yawning inequalities of a petro-state.²³

The insider/outsider dichotomy alone does not, however, fully capture the differentiation of African elites between national elites at the centre of power and local elites consigned to the periphery of power within a given African state, the product of historical and structural legacies of colonialism and its aftermath.²⁴ Although variance characterizes the experience

18. Richard Sandbrook, ‘Patrons, clients, and factions: New dimensions of conflict analysis in Africa’, *Canadian Journal of Political Science* 5, 1 (1972), pp. 104–119; Victor Chidubem Iwuocha, ‘Rethinking the “patron–client” politics of oil block allocation, development and remittances in Nigeria’, *Review of African Political Economy* 48, 170 (2021), pp. 552–580.

19. Ana Cristina Alves and Sérgio Chichava, ‘Neo-patrimonialism and extraversion in China’s relations with Angola and Mozambique: Is Beijing making a difference?’, in Chris Alden and Dan Large (eds), *New directions in Africa-China studies* (Routledge, London, 2017), p. 247.

20. Obert Hodzi, ‘China and Africa: Economic growth and a non-transformative political elite’, *Journal of Contemporary African Studies* 36, 2 (2018), pp. 191–206.

21. Lampert and Mohan, ‘Making space for African agency in China-Africa engagements’.

22. Ian Taylor, ‘The good, the bad and the ugly: Agency-as-corruption and the Sino-Nigerian relationship’, in Aleksandra Gadzala (ed.), *Africa and China: How Africans and their governments are shaping relations with China* (Rowman & Littlefield, London, 2015), pp. 27–44.

23. Cyril Obi, ‘Oiling neocolonialism and conflict?’ *Social Science Research Council*, <<https://china-africa.ssrc.org/wp-content/uploads/2014/12/Obi-Final.pdf>> (6 June 2022); Cyril Obi, ‘Enter the dragon? Chinese oil companies and resistance in the Niger Delta’, *Review of African Political Economy* 35, 117 (2008), pp. 417–434.

24. Jeremy Lind, ‘Devolution, shifting centre-periphery relationships and conflict in northern Kenya’, *Political Geography* 63 (2018), pp. 135–147. Studies on elite formation in other parts of Africa include Gregor Dobler, *Traders and trade in colonial Ovamboland, 1925 to*

of different African states, in the Kenyan case this legacy of neglect of northern and coastal regions contributed to the push for devolution in the 2010 constitution and amplified discontent with national policy-making at the centre.²⁵ Such differentiation sharpened the response of local elites to China's mega-project emanating from the centre, producing reactions grounded in collusion and contestation that impact upon Chinese projects over time and, more broadly, shape China's integration into Kenya's political economy. This differentiation in elite response manifests in the project cycle itself, from the initial period of negotiations between national elites that determine the financial and physical parameters of projects to their phased implementation on the ground, and interacts with both variations in structural features of power distribution with states (centre-periphery ties) and their periodic re-legitimation (elections) to generate different influences at different points in the project cycle over the distribution of patronage. These insights do feature implicitly in the work of Wang and Wissenbach, who broadly identify 'clientelism' in their account of China's involvement in Kenya's SGR.²⁶

By way of contrast, Yuan Wang's comparative analysis of the SGR in Kenya and Addis-Djibouti Railway in Ethiopia employs the notion of 'political champions' to explain variation in the project effectiveness.²⁷ She argues that China's deliberate engagement with the logic of Africa's 'Big Man' politics produces development outcomes at the project implementation phase by emphasizing personal intervention by political leaders to unblock institutional obstacles to achieving project goals. This demonstrates, in her words, 'the efficacy of informal politics without understating the role of bureaucracy' in Chinese-national elite coalitions.²⁸ However, this positive weighting of project outcomes through such elite collision produces the marginalization of formal procedural requirements and responsible institutions, overlooking development gains that can be acquired through the involvement of (albeit imperfect) accountable institutions. In fact, the sidelining of institutions at the development formulation phase is further exacerbated by the marginalization of local elites and communities from the process. It is these same local elites who mobilize marginalized communities during the implementation phase, especially in the opening provided by national elections, to extract concessions from the national elites and their Chinese partners.

1990: *Elite formation and the politics of consumption under indirect rule and apartheid* (Basler Afrika Bibliographien, Basel, 2014); Samba Diop, 'African elites and their post-colonial legacy: Cultural, political and economic discontent – by way of literature', *African Development* XXXVI, 4 (2012), pp. 221–235.

25. Lind, 'Devolution, shifting centre-periphery relationships and conflict in northern Kenya'.

26. Wang and Wissenbach, 'Clientelism at work?'.

27. Wang, 'Executive agency and state capacity in development'.

28. *Ibid.*

Our study focuses on the case of Kenya, where devolution has created county governments across the country, concurrently producing additional avenues for political patronage such that local political elites ‘pursue regionally defined agendas within the framework of state structures’.²⁹ This has important impacts upon Kenya’s elite networks and the distribution of politically-inspired largesse when it comes to previously marginalized regions.³⁰ This process is particularly acute during election campaigns where the linkages between national and local politics are renewed as ‘politicians use strategies to convince citizens to vote for them’.³¹ Somewhat akin to Alex de Waal’s assertion that central powers require off-the-books political budgets to deal with the demands of peripheral actors,³² Chinese-funded infrastructure projects provide resources to national elites which have been made accessible to those in more peripheral positions such as regional politicians or members of marginalized communities in exchange for mobilizing electoral support.

Centre-periphery contestation in Kenya’s large-scale infrastructure projects

As evidence demonstrates, the actual implementation of such projects sets off interactions of ‘social groups within the state and in society that are differentiated along lines of class, gender, generations, ethnicity and nationality, that have historically specific expectations, aspirations and traditions of struggle’.³³ Abiding mistrust of national elites by local elites and communities left outside of the planning process, whose livelihoods may be threatened by the mega-projects and are unable to secure economic gains from it, have inspired active opposition against these erstwhile development initiatives. For example, the construction of the Lamu Port and South Sudan Ethiopia Transport (LAPSSET) corridor traversing northern counties has experienced conflict between foreign investors, national government, county governments and other local actors. At the heart of such disputes were questions of land dispossession, exclusion from decision-making processes, employment and environmental conservation.³⁴

29. Ngala Chome, “‘Devolution is only for development’? Decentralization and elite vulnerability on the Kenyan coast’, *Critical African Studies* 7, 3 (2015), pp. 299–316; Lind, ‘Devolution, shifting centre-periphery relationships and conflict in northern Kenya’.

30. See Hannah Waddilove, ‘Support or subvert? Assessing devolution’s effect on central power during Kenya’s 2017 presidential rerun’, *Journal of Eastern African Studies* 13, 2 (2019), pp. 334–352.

31. Chome, “‘Devolution is only for development’”; Agnes Cornell and Michelle D’Arcy ‘*Plus ça change?* County level politics in Kenya after devolution’, *Journal of Eastern African Studies* 8, 1 (2014), pp. 173–191.

32. Alex De Waal, *The real politics of the Horn of Africa: Money, war and the business of power* (Polity, Cambridge, 2015).

33. Ruth Hall, Marc Edelman, Saturnino M. Borrás Jr, Ian Scoones, Ben White and Wendy Wolford, ‘Resistance, acquiescence or incorporation? An introduction to land grabbing and political reactions “from below”’, *Journal of Peasant Studies* 42, 3–4 (2015), pp. 467–488.

34. Catherine Boone, Alex Dyzenhaus, Ambreena Manji, Catherine W. Gateri, Seth Ouma, James Kabugu Owino, Achiba Gargule and Jacqueline M. Klopp, ‘Land law reform in Kenya:

In the case of the LAPSSET corridor launched in 2012, a localized protest was ‘shaped by contested meanings of land and belonging, and associated concerns over the fate of diverse livelihoods’.³⁵ Rampant land speculation grew from a dense network of local land brokers and international investors, ignited protests by local communities worried about a ‘Lamu land grab’. When terrorists attacked a town centre in the county in July 2014, the national government attributed the attack to speculative activities and land grab claims, causing President Kenyatta to revoke title deeds issued to investors between 2011 and 2012 in the presence of religious and political delegations from Lamu.³⁶ The establishment of nature conservancies, as Jason Mosley and Elizabeth Watson argue, in parts of Lamu and Isiolo counties proved to be another form of pushback by local elites. Leveraging their global financial networks, these conservancies overseeing huge tracks of land provided local actors excluded from the Nairobi-led process with the platform to push back against the LAPSSET corridor with demands for local ownership.³⁷ Lastly, the transition to a devolved system of government catalysed the protests against the LAPSSET corridor. When Issa Timamy was elected as the first governor of Lamu county, he sought to influence the LAPSSET’s land acquisition and compensation programmes. Timamy’s administration struggled with the National Land Commission (NLC)—the national agency mandated to allocate public land—over allocation of land accusing the NLC of failing to involve the county administration.³⁸

The discovery of oil in Turkana county in 2012 magnified the plight of the Turkana community, a marginalized pastoralist group living in the northwestern part of Kenya, fuelling conflictual interests between the national government, county government, foreign actors, non-local Kenyans and local communities. The first source of protest, before the onset of devolution in March 2013, came when the defunct Turkana County Council unsuccessfully tried to reach out to Tullow Oil company

Devolution, veto players, and the limits of an institutional fix’, *African Affairs* 118, 471 (2019), pp. 215–237.

35. Ngala Chome, ‘Land, livelihoods and belonging: Negotiating change and anticipating LAPSSET in Kenya’s Lamu county’, *Journal of Eastern African Studies* 14, 2 (2020), pp. 310–331.

36. Paul Ilado, ‘Uhuru recovers 500, 000 acres of Lamu Land,’ *The Star*, 1 August 2014, <https://www.the-star.co.ke/news/2014/08/01/uhuru-recovers-500000-acres-of-lamu-land_c_980567> (16 December 2021).

37. Jason Mosley and Elizabeth Watson, ‘Frontier transformations: Development visions, spaces and processes in Northern Kenya and Southern Ethiopia’, *Journal of Eastern African Studies* 10, 3 (2016), pp. 452–475.

38. Patrick Beja, ‘NLC in a spot over LAPSSET land’, *The Standard Digital*, 23 February 2018, <<https://www.standardmedia.co.ke/article/2000192608/nlc-in-a-spot-over-lapsset-land>>; see, Cheti Praxides, ‘Swazuri criticizes LAPSSET land deals’, *The Star*, 16 October 2014, <<https://allafrica.com/stories/201410160855.html>> (16 December 2021).

(at the centre of oil discovery), its sub-contractors and the central government about the need to engage the local communities.³⁹ Next came a series of protests from local communities which, although they were not opposed to the oil project, nevertheless demanded to be considered for employment opportunities.⁴⁰ Indeed, their demonstrations bore fruit when the foreign companies involved conceded to some of these demands.⁴¹ The third source of pushback between the national government and Turkana county revolved around the formula of sharing profits derived from oil proceeds. The Constitution of Kenya stipulates that the national government retains 70 percent and the county government receives 20 percent, while the local community obtains 10 percent of the profit generated from the oil proceeds.⁴² After protracted struggle between Nairobi and Turkana,⁴³ local communities did not obtain any concessions even after a May 2018 meeting between Turkana Governor Josphat Nanok and Petroleum and Mining Cabinet Secretary John Munyes (a Turkana himself), who reduced the ratio of profit of oil proceeds to the local communities to 5 percent.⁴⁴

Finally, non-governmental organizations (NGOs) such as Save Lamu (LAPSSET), Friends of Lake Turkana (oil exploration), the Sarima Indigenous Peoples' Land Forum (LTWP) and a coalition of NGOs against the Lamu coal power station have also advanced centre-periphery resistance.⁴⁵ These advocacy groups deployed several strategies such as seeking legal redress and policy and legislative change.⁴⁶ These organizations were not against the infrastructure projects, but they agitated for the inclusion of locals in the decision-making in addition to clamouring for objective environmental and social impact assessment reports, fair compensation of affected communities and equitable distribution of revenues with the local communities.⁴⁷

Taken together, Lamu, Isiolo and Turkana counties are some of the most marginalized areas in Kenya whose predicaments are rooted in the

39. Kennedy Mkutu Agade, "'Ungoverned space' and the oil find in Turkana, Kenya', *The Round Table* 103, 5 (2014), pp. 497–515.

40. Mosley and Watson, 'Frontier transformations', p. 467.

41. Luke Patey, 'Kenya: An African oil upstart in transition,' (Working Paper No. 53, Oxford Institute for Energy Studies, 2014), <<https://www.oxfordenergy.org/wpcms/wp-content/uploads/2014/10/WPM-53.pdf>> (17 December 2021).

42. Republic of Kenya, *The Constitution of Kenya 2010* (Government Printer, Nairobi, 2010).

43. Janpeter Schilling, Raphael Locham and Jürgen Scheffran, 'A local to global perspective on oil and wind exploitation, resource governance and conflict in Northern Kenya', *Conflict, Security & Development* 18, 6 (2018), pp. 571–600.

44. *Ibid.*

45. Save Lamu, 'How much will the LAPSSET cost the people of Lamu', *Friends of Turkana*, 15 February 2021, <<https://namati.org/network/organization/friends-of-lake-turkana/>> (7 June 2022), <<https://www.savelamu.org/how-much-will-the-lapsset-cost-the-lamu/>> (7 June 2022); Lake Turkana project in indigenous territories, Kenya, <<https://ejatlas.org/conflict/lake-turkana-project-in-indigenous-territories/>> (7 June 2022).

46. Zoe Cormack, 'The promotion of pastoralist heritage and alternative "visions" for the future of northern Kenya', *Journal of Eastern African Studies* 10, 3 (2016), pp. 548–567.

47. Mosley and Watson, 'Frontier transformations', p. 467.

immediate post-independent development plans to focus on Kenya's 'high potential agrarian highlands in the central and western parts'.⁴⁸ The national-led infrastructure development process and devolved governance were expected to reverse their marginalization. But these unfilled promises further animated historical grievances and have led to local challenges that delayed the implementation of infrastructure projects. These dynamics of national-county protest, led by local elites and communities, were most evident in the implementation phase of the SGR.

The SGR

Billed as a leading infrastructure project under-written by Chinese development finance and technical expertise, the SGR was originally designed to improve key transportation links between East Africa's leading port and capital cities, as well as lay a foundation for enhanced cross-regional trade. Phase 1 of the SGR currently operational runs from Mombasa to Nairobi, while Phase 2 was initially designed to extend to the neighbouring countries of Uganda and Rwanda, thus forming the East African railway network.⁴⁹ The project has since been incorporated into a Chinese narrative of fostering foreign development,⁵⁰ thereby underscoring the importance of Kenya and the wider Eastern and Central African region to China's overall Africa policy. In the next sub-sections, we analyse the three phases in the SGR project cycle, namely elite collusion with China at the national level in the project formulation phase; local business interests and civil society push back in response to the onset of the project implementation phase and, finally, how structural features in centre-periphery relations in the form of electoral competition provided opportunities for local elites and marginalized communities to extract resources from the SGR project.

Elite collusion in the project formulation phase

The onset of the project cycle underscores the origins of Chinese and Kenyan national elite collusion, corresponding to the formation of Wang's 'political champions'.⁵¹ During this policy formulation phase, there was no meaningful public participation. Local businesses, civil society and citizens were excluded in this initial stage of the SGR project. This exclusion was largely spearheaded by national policy-makers. Although a number of

48. Jeremy Lind, 'Devolution, shifting centre-periphery relationship and conflicts in northern Kenya', *Political Geography* 63 (2018), pp. 135–147.

49. Intra-regional interests have altered the original design of the SGR, see Oscar M. Otele, 'China, region-centric infrastructure drives and regionalism in Africa', *South African Journal of International Affairs* 27, 4 (2020), pp. 511–532.

50. Dylan M. H. Loh, 'The "Chinese Dream" and the "Belt and Road Initiative": Narratives, practices, and sub-state actors', *International Relations of the Asia-Pacific* 21, 2 (2021), pp. 167–199.

51. Wang, 'Executive agency and state capacity in development'.

accounts exist as to the origins of the SGR, compelling evidence presented to the Kenyan parliament in 2019 showed that on 13 April 2008, Du Fei, the General Manager of China Roads and Bridges Corporation (CRBC-Kenya) wrote to Chirau Ali Mwakwere, the minister of transport, expressing interest in establishing Kenya's first electric railway system between Mombasa and Nairobi.⁵² Later in June 2008, when no reply was forthcoming from the transport ministry, the Chinese firm sought the intervention of Prime Minister Raila Odinga to promote the idea of a refurbished national railway project.

Although the company had expressed its intention to cooperate with Kenya to develop its infrastructure in line with '[Kenya's] *priority areas*',⁵³ the country did not have a clear development plan at the time. It is instructive to note that in April 2008, Kenya was still embroiled in the outcomes of post-election violence as a result of the disputed 2007 presidential election result pitting the incumbent President Mwai Kibaki of the Party of National Unity against his challenger Raila Odinga of the Orange Democratic Movement (ODM). To be precise, Kenya Railways' first engagement with the SGR came only 3 years after its launch, when the managing director was requested to provide technical advice on the feasibility study.⁵⁴

President Kenyatta's eventual championing of the SGR and integrating into Kenya's national development plan were motivated by two factors. First, Kenyatta had already demonstrated his commitment to the SGR project during his stint as deputy prime minister and minister of finance under the coalition government, privy to the discussions that led to the signing of the Memorandum of Understanding (MOU) with CRBC in August 2009. Working in tandem with the coalition government was one Jimi Wanjigi, a wealthy businessman-cum politician with long-standing ties to Kenya's ruling elites.⁵⁵ In fact, Wanjigi was seen as instrumental in the birth of the Jubilee Coalition in advance of the 2013 elections that brought together Kenyatta and William Ruto, who later became the Deputy President. Wanjigi acted as a local agent for Chinese interests over a number of years, including China National Aero-Technology International Engineering Company, China Petroleum Pipeline Bureau and CRBC amongst others.⁵⁶ In a televised interview in 2021, Wanjigi asserted his key role in

52. Public Investments Committee (PIC), *Special report on the procurement and financing of the construction of Standard Gauge Railway from Mombasa to Nairobi (Phase 1)* (Parliament Building, Nairobi, 2014).

53. PIC, *Special report on the procurement and financing of the construction of Standard Gauge Railway from Mombasa to Nairobi*, p. 6. Emphasis added.

54. Report on CRBC's feasibility study MSA-NRB railway project: Comments by Kenya Railways, letter from Nduva Muli, managing director of KRC, to Cyrus Njiru, permanent secretary of ministry of transport, 4 April 2011.

55. Interview with senior police officer, Nairobi, 8 August 2020.

56. Jimi Wanjigi, 'Kenya's most feared oligarch', *Daily Nation*, 26 June 2017, <<https://www.nation.co.ke/news/State-capture-Kenya-s-most-feared-oligarch/1056-3987356-dek8hy/index.html>>.

the formation of the SGR as far back as 2008, stating that he only stopped associating with the SGR when it was converted from a public-private partnership venture to a government project:

The SGR was a project birthed by me in 2008 with the same company called China Roads and Bridges ... we spent a lot of money doing what is called feasibility and technical studies ... the intention when we began was that the railway would be a private, nothing to do with government. In fact government was supposed to provide land which we were prepared to lease. It was like a real estate project. At that time Rift Valley Rail had a concession of 22 years and it was not doing well. Cargo had reduced from 25 percent to 4 percentWhat I recall of the project cost was something like Ksh. 55 billion and it was private from Mombasa all the way to Malaba. The idea was to straighten up the line and get investors to invest in wagons. That was the intention of the SGR I started. After 2013 general elections it came to my attention that the project was worth Ksh. 300 billion just from Mombasa to Nairobi, and I said this does not make sense to me ... We differed ... it became about government doing it ... my intention and the intention of China Roads and Bridges at the time was that the project would be a Public-Private Partnership (PPP). I could not agree. I raised my concerns.⁵⁷

Second, prior to the 2013 general elections, several Western donors had threatened to disengage from Kenya if Ruto and Kenyatta, who faced charges of crimes against humanity at the International Criminal Court, were elected.⁵⁸ Ruto was accused of organizing a network to cause harm to Kikuyu supporters of President Kibaki in the north Rift Valley, while Kenyatta was accused of forming a network that procured services of a Kikuyu ethnic organization, *Mungiki*, to wage retaliatory attacks against ODM's Luo supporters in Naivasha and Nakuru towns in the central Rift Valley in the context of the 2007 post-election violence.⁵⁹ Fastracking the Chinese-funded SGR, therefore, was one of the strategies used by the duo to counter Western threats by seeking alternative economic partners in the period prior to and after the 2013 general elections.

57. 'I was the brains behind Standard Gauge Railway', *The Star*, 30 August 2021, <<https://www.the-star.co.ke/news/2021-08-30-i-was-the-brains-behind-standard-gauge-railway-wanjigi/>>; also see <https://twitter.com/hashtag/JimiWanjigiUnveiled?src=hash&ref_src=twsrc%5Etfw>. Text of Citizen TV interview available on <<https://m.facebook.com/groups/459547940741292/posts/SGR-WANJIGI'S-BRAIN/4953387654690609/>>.

58. The Hague Trials, 'ICC prosecutor names the "Ocampo Six"', 15 December 2010, <<https://thehaguetrials.co.ke/timeline/icc-prosecutor-names-ocampo-six> (7 June 2022).

59. Ruto was jointly charged by the ICC along with Joshua Arap Sang, Henry Kosgey and the ODM' party's secretary general, while Kenyatta was jointly charged with Frances Muthaura, head of public service and secretary to the cabinet and Mohammed Hussein Ali, police commissioner. Cited in Susanne D. Mueller, 'Kenya and the International Criminal Court (ICC): Politics, the election and the law', *Journal of Eastern African Studies* 8, 1 (2014), pp. 25-42.

As is clear from Wanjigi's own account, the SGR idea was initiated without input from the public as required by Article 10 (2) of the Constitution of Kenya 2010, which explicitly recognizes public participation as a core governance principle in project management. As part of public participation, individuals, groups or communities in Kenya were expected to take part in scrutinizing the proposed project through interaction with the state and other non-state actors. However, the state excluded citizens and civil society, echoing Giles Mohan's claim that China–Africa dealmaking consisted of 'inter-elite brokerage ... bypassed domestic debates and accountability'.⁶⁰ By being denied public participation, Kenyans, especially those who would later be affected by the project, were left to guess as to the expected benefits.

Furthermore, while parliament had debated the project, it was forced to manage with only limited information provided by the executive.⁶¹ Speaking before the PIC, Kenya's Transport Cabinet Secretary, Michael Kamau, acknowledged that the procurement process was ignored during the negotiations with the Chinese and as a result 'the bidding was opaque; and the law was stretched, even skewed to allow CRBC to get the tender'.⁶² In response to public concerns on procurement, the executive rationalized the single sourcing of CRBC without competitive bidding on the ground that Section 6 (1) of the Public Procurement and Asset Disposal Act 2015 exempted government-to-government agreements from competitive procurement. A senior government official at the national treasury reported that direct phone calls were made from the State House to clear any barriers standing in the way of the project.⁶³ It was the lack of public participation that fuelled speculation of corruption culminating in two subsequent parliamentary investigations.⁶⁴ The PIC investigation was instigated by a critical legislator within the ruling coalition and later supported by members of the opposition.⁶⁵ Some representatives of Kenyan local business and civil society organizations leveraged the ongoing investigations to petition the court to overturn the procurement process, arguing that the SGR did not represent value for money. However, the court ruled in favour of the executive.⁶⁶

60. Mohan, 'China in Africa'.

61. PIC, *Special report*.

62. Cited in Ian Taylor, 'Kenya's new Lunatic Express: The Standard Gauge Railway', *African Studies Quarterly* 19, 3–4 (2020), p 33.

63. Interview, official, national treasury, Nairobi, 6 August 2015.

64. In addition to PIC, investigations were also conducted by transport, public works and housing committee. However, the two committees arrived at different conclusions.

65. PIC, *Special report*.

66. Republic of Kenya, Okiya Omtatah Okoiti, Nyakina Wycliffe Gisebe, Law Society of Kenya versus Attorney General, Kenya Railways Corporation, the Public Procurement Oversight Authority and China Roads and Bridges Corporation, In the High Court of Kenya at Nairobi, Petition No. 54 of 2014, <<http://kenyalaw.org/caselaw/cases/view/103808/>>

Another concern was raised by Kenya's Coalition for Wildlife Conversation and Management regarding the loss of biodiversity as the SGR was set to pass through the national parks.⁶⁷ The lobby group argued that migration corridors would be blocked and would destroy the natural paths for the wildlife. It also observed that there were no clear plans to handle the impact of air and noise pollution from the train on the environment.⁶⁸ Consequently, 'an "animal-friendly" design was adopted, aimed at allowing free wildlife movement by [later] incorporating viaducts and watering points along the seven kilometer route through the park'.⁶⁹

Although the executive partly responded to the environmental concerns, the governance and procurement concerns were largely ignored. President Kenyatta made his first state visit to China after 6 months in office in August 2013, a move that signified how important Kenyan national elites perceived China and the pending SGR project. Upon the conclusion of negotiations, Chinese Premier Li Keqiang visited Kenya in May 2014, and several bilateral agreements between Kenya and China were signed.⁷⁰ Finally, China's Export and Import Bank approved a credit facility worth US\$3.2 billion for the completion of phase 1 of the SGR in July 2014, representing 85 percent of the contract amount of \$3.804 billion.⁷¹ The project began on 12 December 2014 and was completed on 31 May 2017, 2 months ahead of the general election. Although the contents of the loan have not been published, interviewed officials at the national treasury reported that the financial instrument included mutual agreement concerning the inclusion of local content (i.e. resorting to local sub-contractors and suppliers), while other reports suggested that sourcing of local labour and materials was not reflected in the contract.⁷² As is the case with other Chinese-funded projects, this gap between different accounts of the structure of the loan agreement underscores the lack of transparency in the overall process.

Contestation of national elite bargains by business and civil society

In what could be viewed as a move to project China's public diplomacy as well as a move by Kenya to safeguard public interests, CRBC, Ministry of

(7 June 2022). Surprisingly, this decision was overturned by the Court of Appeal in June 2020, 3 years after the completion of the Mombasa–Nairobi route, <<http://kenyalaw.org/caselaw/cases/view/196972/>> (28 June 2022).

67. Interview, Bessy Kathambi, environmental activist and academic, affiliated with Wangari Mathai Institute for Peace and Environmental Studies, Nairobi, 25 November 2019.

68. *Ibid.*

69. Maria Adele Carrai, 'Adaptive governance along Chinese financed BRI railroad megaprojects', *World Development* 141, 105, 388 (2021), pp. 1–22.

70. Shem Oirere, 'Deal signed for East Africa standard-gauge line', *International Railway Journal*, <<https://www.railjournal.com/africa/deal-signed-for-east-african-standard-gauge-line/>> (7 June 2022).

71. PIC, *Special report*, pp. 47–48.

72. Wang and Wissenbach, 'Clientelism at work?', p. 289; See also, 'Local firms to get piece of the new rail project', *Sunday Nation*, 22 June 2014, p. 40.

Transport (MOT) and Kenya Railways Corporation (KRC) in conjunction with the Kenya Private Sector Alliance (KEPSA) held a conference on the SGR in June 2014. This aimed at showcasing opportunities available to businesses and local communities from the construction of the SGR.⁷³ One of the outcomes of the conference was insistence on the inclusion of local content, that is to say local construction firms, suppliers and labour, in the building of the SGR.⁷⁴ According to a former employee of the KEPSA, its institutional logic constrained it from conducting effective advocacy because of its inability to mobilize the entire spectrum of private sector actors, with some of its members being more pro-government than others.⁷⁵

The Regional Mega Projects Coordination Council (RMPCC) was formed to push for local engagement in the SGR in areas such as procurement, subcontracting and logistics. Concerted pressure from the Kenya Association of Manufacturers (KAM) and the RMPCC led to constructive negotiations with CRBC which included President Kenyatta, leading to victory for local suppliers.⁷⁶ All cement, railway cars and crushed stones were obtained from local suppliers, while most construction equipment was sourced from China.⁷⁷ Thus, it could be argued that to some extent the construction of the SGR generated a transfer of technology. In particular, the cement industry saw an upgrade of local standards from grade 52 to grade 52.5.⁷⁸ The upgrading of cement quality was not a daunting task since the Chinese standards were close to British ones already present in Kenyan markets.⁷⁹ However, local suppliers struggled to sustain their participation in the project because of limited support from Kenya's leadership and a punitive tax regime burdened Kenyan suppliers while exempting Chinese contractors.⁸⁰ Locally manufactured and imported materials were distributed to the construction sites via local

73. 'Standard Gauge Railway: Forging new frontier in railway development in Kenya and the region', Uchukuzi (Ministry of Transport and Infrastructure, Nairobi, 2014), p. 8.

74. Interview, officer, Kenya Private Sector Alliance, Nairobi, 8 August 2016.

75. Interview, former KEPSA official, Nairobi, 8 August 2020. This division in KEPSA sometimes resembles Kenyan division politics where private sector actors take sides along ethnic groups.

76. Wang and Wissenbach, 'Clientelism at work?', p. 10.

77. Uwe Wissenbach and Yuan Wang, 'Local politics meets Chinese engineers: A study of the Chinese-built Standard Gauge Railway project in Kenya', Policy Brief 16, CARI/Johns Hopkins School of International Studies, Washington, DC, 2016, p. 2.

78. Upgrading local standards has the effect of improving the strength of cement such that it can withstand heavier loads. Concrete produced with 52.5 is generally of higher strength than 52.

79. Wissenbach and Wang, 'Local politics meets Chinese engineers', p. 22.

80. Apurva Sanghi and Dylan Conte Johnson, 'Deal or no deal. Strictly business for China in Kenya' (Policy Research Working Paper, No. 7614, World Bank Group, 2016), pp. 35–36; see also 'Tax "ambush" threat to SGR as Chinese contractor rejects local cement, steel', *The East African*, 31 January–6 February 2015, p. 10; 'Kenya allocates \$77 m to end VAT rail row', *The East African*, 7–13 February 2015, p. 5.

logistics companies; however, politically connected businessmen in the logistics industry in fact controlled access to CRBC.⁸¹

According to media reports, by mid-2015 CRBC had recruited over 10,000 lower-level, casual workers and about 1,300 middle level workers from the local community, representing 90 percent of the locals in the project⁸²—statistics that were consistent with the official version from CRBC.⁸³ Over time, the construction of the SGR saw the creation of over 38,000 employment opportunities.⁸⁴ A study conducted on the extent of technology transfer also reported some progress on the Kenyan side, noting that CRBC developed a comprehensive training module comprising ‘technology training in the building of railway operation/management and railway engineering education system’.⁸⁵ To manage community disputes arising from labour relations during the construction, KRC and CRBC employed liaison officers familiar with the local socio-political terrain of counties through which the SGR passes. Although these officers were loyal to their paymasters and not necessarily the interests of labourers and local communities, as Wang and Wissenbach point out, their very presence in the process nevertheless contributed to holding ‘the project management at least minimally accountable to the local labourers of remote counties’.⁸⁶

Elections and local contestation over the SGR at the periphery

While businesses and civil society operating in Nairobi had had an opportunity to use parliament to revise the terms of the railway project to account for their parochial interests, the same could not be said for local elites and communities far from the centres of national power. Although the railway was being built through their districts, they had so far been denied access to the largesse that accompanied the \$3.2 billion project. It took a Kenyan Supreme Court’s decision in September 2017, requiring a rerun of the contested national election between President Kenyatta and opposition leader Raila Odinga, to open up an opportunity for county-level officials and their constituents to extract financial concessions.⁸⁷ With Odinga’s National Super Alliance (NASA) boycotting the second election, Kenyatta had to rely on his Jubilee party to mobilize an already weary electorate to support

81. Wang and Wissenbach, ‘Clientelism at work?’, p. 12.

82. See ‘30,000 jobs for Kenyan in SGR’, *Daily Nation*, 9 September 2014, p. 34.

83. Carrai, ‘Adaptive governance along Chinese financed BRI railroad megaprojects in East Africa’.

84. Wissenbach and Wang, ‘African politics meets Chinese engineers’, p. 19.

85. Li Anshan, ‘Technology transfer in China-Africa relations: Myth or reality’, *Transnational Corporations Review* 8, 3 (2016), pp. 183–195.

86. Wang and Wissenbach, ‘Clientelism at work?’, p. 15.

87. ‘Kenya presidential election cancelled by the Supreme Court’, 1 September 2017, <<https://www.bbc.co.uk/news/world-africa-41123329>>.

his bid and in so doing legitimize the results. The devolution process initiated in 2010 had created counties out of the previously centralized system with governors who came to act as key regional power brokers in delivering constituencies to support national elites. In the case of Mombasa, the election of local businessman-cum politician Hassan Joho to the governorship created the conditions for a charismatic politician to represent a marginalized community to national elites and utilize local mobilization in exchange for political support.⁸⁸

This dynamic was evident in the changing position adopted by Joho and other local elites towards the SGR over the course of the national election and its rerun in late 2017. In the build-up to the election, Joho launched an incendiary campaign against the Jubilee government, which singled out the SGR as, in the words of one interviewed coastal Member of the National Assembly, ‘a time bomb ready to explode on the houses of the coastal people’.⁸⁹ So successful were these efforts to mobilize coastal constituencies against Kenyatta’s signature infrastructure project that they partly contributed to Jubilee receiving meagre votes in Mombasa.

However, as was made clear by subsequent events, Joho’s opposition was apparently a gambit to secure involvement in government contracting and related family commercial activities.⁹⁰ It was reported that immediately following the Supreme Court ruling to rerun the elections, he engaged in negotiations with the President to secure lucrative business in Nairobi’s Inland Container Depot (ICD) and that he was assured of a stake in the Naivasha dry port, both of which would benefit from the use of the SGR.⁹¹

Despite his substantial political influence in mobilizing local patronage networks, Joho nevertheless had to work hard at convincing local politicians to reverse their opposition and support the SGR project.⁹² Kenya’s mounting debt payments arose in large part—72 percent of the total bilateral debt—from Chinese loans financing the SGR, which remained underutilized and not competitive with road transport. Moreover, Kenyatta’s efforts to secure additional Chinese financing and debt structuring, the topic of a visit to Beijing in May 2019, came to naught.⁹³ Akin to Ian Taylor’s view of corruption as agency in Nigeria, the Jubilee government issued a national

88. *Ibid.*, pp. 178–179.

89. Interview, a coastal MP, Nairobi, 22 February 2021; see also ‘Reserving gains: Governor Joho threatens under SGR plans’, <<https://www.youtube.com/watch?v=3tLmD6TrKvg>> (26 June 2017).

90. Interview, a coastal MP, Nairobi, 10 February 2021; see also Hellenic Shipping News, ‘Storm over Joho firm’s lucrative SGR bulk cargo deal’, 12 February 2019, <<https://www.hellenicshippingnews.com/storm-over-joho-firms-lucrative-sgr-bulk-cargo-deal/>>.

91. Interview, a coastal MP, Nairobi, 10 February 2021.

92. Waddilove, ‘Support or subvert?, pp. 342–344; Also see Chome, “‘Devolution is only for development’?”, pp. 307–308.

93. *The Economist*, ‘China is thinking twice about lending to Africa’, 29 June 2019, <<https://www.economist.com/middle-east-and-africa/2019/06/29/china-is-thinking-twice-about-lending-to-africa>> (16 December 2021).

directive in August 2019 obliging shipping companies to clear all customs from Mombasa port in Nairobi ICD using the SGR. Notably, the ICD was where Kenyatta and now Joho's interests were firmly entrenched, sparking another round of local protests in Mombasa. Face-to-face meetings with the national government organized by the Mombasa governor in October 2019 opened a window of opportunity for material inducements such as supply tenders. This won over a portion of the coastal Members of Parliament (MPs).⁹⁴ Contrary to John Hugley and Michael Burton's postulation that elites 'frame their appeal to accord with the interest and political orientations of non-elites',⁹⁵ Joho succeeded in turning around some local support for Jubilee and the SGR during the election rerun. But this did not include the support of the most marginalized communities he claimed to represent, ultimately weakening his political position. Some MPs went so far as to allege that Joho's business interests in port logistics in the country benefited directly from bargaining with the President, pointing to Joho's dramatic reversal in his position from being a vocal opponent to a defender of the SGR.⁹⁶

In fact, the logic of elite agency continued to prevail, with benefits accruing to a few elites close to political power and their vast networks of supporters who secure employment as casual workers, while small businesses are awarded tenders to supply local materials. This pattern of patronage nonetheless fortifies underdevelopment, with elites who have the power to structurally alter China–Africa relations choosing not to introduce structural change.⁹⁷

Assessing the dynamics of the policy process of elite collusion and local elite contestation

The above interaction between Chinese actors, national elites, local bureaucrats and civil society can be summarized as shown in Figure 1. Viewed in two distinct phases, at the policy formulation phase where

94. 'Governor Joho holds talks with gov't to resolve SGR cargo transport stalemate', <<https://www.youtube.com/watch?v=zX19ZM4MQCM>> (3 October 2019); Ngala Chome, 'Elite feuds: Are the SGR protesters in Mombasa pawns in a larger battle for control of port services', *The Elephant*, 9 November 2019, <<https://www.theelephant.info/op-eds/2019/11/09/elite-feuds-are-the-sgr-protesters-in-mombasa-pawns-in-a-larger-battle-for-control-of-port-services/>> (18 December 2021).

95. Hingley and Burton, *Elite foundations of liberal democracy*, p. 7.

96. Interview, a coastal MP, Nairobi, 10 February 2021; 'I don't oppose SGR but our people lost jobs Joho tells handshake team', *The Star*, 5 December 2018, <<https://www.the-star.co.ke/news/2018-12-05-i-dont-oppose-sgr-but-our-people-lost-jobs-joho-tells-handshake-team/>>; Hugh Lamarque, 'Profit inefficiency: The politics of port infrastructure in Mombasa, Kenya', *Journal of Modern African Studies* 57, 1 (2019), pp. 95–97; also see 'Storm over Joho's lucrative SGR bulk cargo deal', *Hellenic Shipping News*, 12 February 2019, <<https://www.hellenicshippingnews.com/storm-over-joho-firms-lucrative-sgr-bulk-cargo-deal/>>.

97. Carmody and Kragelund, 'Who is in charge?'

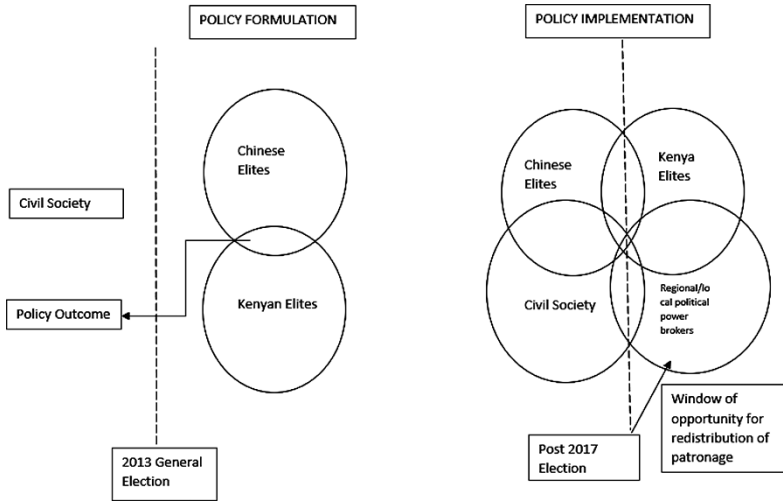


Figure 1 Conceptual model of the interaction between Chinese elites, Kenyan elites and civil society in the formulation and implementation of the SGR.

there was no meaningful public participation, business interests outside of national elite patronage networks, civil society and citizens were excluded at the initial stage of the SGR project. This exclusion spilled over to policy formulation that was largely spearheaded by national policy-makers. At policy formulation, the nature of policy outcome largely favoured Chinese investors who initiated the project. However, as the project turned to the implementation phase, businesses and civil society found space to agitate for the inclusion of local communities' interests in the SGR as construction traversed different regions. This trend was further enhanced by the onset of the presidential election campaign in 2017, providing regional power brokers an opportunity to mobilize these same local communities around.

Chinese state owned enterprises such as CRBC mobilized their political connections to propose projects and through their elite connections have them introduced into the country's development plans. Given the budgets set aside for infrastructure development and CRBC's willingness to assist in securing funds from the Chinese financial sector, the elite bargain between the Chinese and Kenya's national elite was increasingly driven by rent-seeking. In the case of the SGR, the project idea emanated from a collusion of Chinese investors and a local Kenyan businessman with deep political connections.⁹⁸ Although Wanjigi has denied association with the SGR after the 2013 elections, he initially found it easy to manoeuvre through

98. PIC, *Special report*.

the political system headed by some of his kinsmen and within which he had privileged access.⁹⁹ The erosion of the regulatory process at the policy formulation phase was evident with the late inclusion of the parliamentary watchdog only after widespread public concern over the lack of public participation and the absence of transparency in the tendering process.¹⁰⁰ Therefore, at the policy formulation stage, weak oversight mechanisms and lack of civil society scrutiny reduced ‘agency [to] the margin’ during financial negotiations.¹⁰¹ Crucially, as Paul-Henri Bischoff observes, the capacity of African states to improve their aid relations with external actors depends on their willingness to recognize the involvement of civil society actors in the domestic space.¹⁰² Governance advocacy around transparency and accountability by these actors has placed considerable pressure on some African governments to ensure that they obtain value for money through competitive bidding.

At the policy implementation phase, although denied access to the negotiations, business interests outside of elite patronage networks and civil society actors were able to exert pressure on the local bureaucrats through local protests and formal parliamentary scrutiny allowed by the Constitution. As a reaction to concerns from environmentalist groups, CRBC expanded the terms of the project by adding bridges and underpaths to avoid blocking wildlife migration corridors. In the manufacturing sector, effective lobbying by the KAM and the RMPCC produced victory for local industry.

At the same time that national elites were benefiting from ties with Chinese counterparts, the paucity of local benefits was increasingly evident to politicians and local communities on the railway’s construction path. This was exacerbated by the onset of a closely contested national election which raised expectations amongst regions directly impacted by the SGR construction. Indeed, amongst other issues that President Kenyatta chose to focus on during 2017 election campaign was the completion of the SGR.¹⁰³ In this respect, the project implementation phase became an important channel of influence over the distribution of patronage for local elites.

Civil society action should be seen as both spontaneous and instrumentalized by local power brokers to exert pressure for resources from the SGR.¹⁰⁴ Local suppliers incorporated into the project and local

99. ‘Jimi Wanjigi: Kenya’s most feared oligarch’.

100. Report on CRBC’s feasibility study MSA-NRB railway project.

101. Carmody and Kragelund, ‘Who is in charge?’.

102. Paul-Henri Bischoff, ‘Pan African multilateralism: Transformative or disconnected’, *Politikon* 52, 2 (2009), pp. 178–179.

103. Rebekka Rumpel, ‘Lessons from Kenya’s new, Chinese-funded railway’, Expert Comment, Chatham House, 20 June 2017, <<https://www.chathamhouse.org/2017/06/lessons-kenyas-new-chinese-funded-railway>> (17 March 2020).

104. Wang and Wissenbach, ‘Clientelism at work?’.

communities supplying labour ended up being part of the implementation story. The partial success of local suppliers was crystallized by the clientelistic governance structure within the sector where Kikuyu dominance in the Kenyan economy extends to associations like the KEPSA and the KAM. We can speculate that the ruling elites found they had to concede to the demands of these organizations dominated by many of their supporters for fear that they may otherwise lose their political support. Through the mechanism of devolution and the 2017 election, even local interests and communities traditionally outside the patronage system were afforded an opportunity to derive some benefits from Chinese–national elite deals.

Conclusion

Kenyan agency in Kenya–China relations is indeed evident, as the literature on national elites suggests, but it requires a sequenced and historicized reading of the policy process to recognize its changing dynamics and the wider impact of state–society relations. Rather than state led accounts of African agency which either fail to differentiate between national elites at the centre and local elites at the periphery *or* accounts which do not integrate the pursuit of interests at the local level into a larger narrative of systemic extraction of rents, what we see in the case of the SGR is a multiplicity of actors mobilizing through the project cycle. Inter-elite bargaining at the initial phase of engagement between Kenya and China focused on setting the terms of the project to the satisfaction of participating decision-makers. Over time, as Kenyan and Chinese elites came to better understand their respective interests, project initiatives became more ambitious as epitomized by the SGR and, concurrently, became more embedded in local elite networks in Kenya. However, with the commencement of the SGR's implementation phase, which necessarily involved construction at the periphery, the opportunity for asserting the interests of actors at the margins increased. Utilizing instruments ranging from legal redress to community protests, these strategies allowed local communities to extract concessions that expanded the terms of the project in ways that incorporated some of their concerns. Local power brokers, too, were able to mobilize constituencies during elections to extract rent from 'off-the-books political budgets' from national elites.¹⁰⁵

This multi-actor agency is expressed both spatially and temporarily, that is to say, it reflects the underlying asymmetry in power distribution between the centre and the periphery in Kenya, while the challenges to national elite collusion manifest over time as local elites' efforts to contest deals negotiated between national elites and external actors such as China. The result

105. De Waal, *The real politics of the Horn of Africa*.

of this process on collusion and contestation was to broaden the basis for elite consensus, integrating national elite dealmaking at the state level with domestically based local elite networks and, to an extent, local communities at the periphery. As the SGR project began to actually be implemented, elite collusion was contested by actors outside of the formative phase of the project. The triggering mechanism for this process was initially structural features in the formal power distribution between the executive and parliament, while the rerunning of a tightly fought national election in 2017 exposed the political vulnerability of national elites at the centre. This gave local elites and communities at the periphery an opportunity to pursue rent-seeking strategies.

For China, the pursuit of large-scale infrastructure projects like the SGR has put it squarely within the fold of inter-elite contestation and centre-periphery politics within African states. The impact of this integration into the local political economy on China's African policy is to expose it to the internal machinations of African elite politics which can in turn challenge the sustainability of its projects as well as open Beijing up to accusations of 'debt-trap diplomacy'. The SGR has not, as was envisaged in the bilateral national negotiations, produced a revenue stream that would contribute to the meeting of debt obligations; it has rather become enmeshed in inter-elite efforts to secure their interests and redistribute SGR-related resources. This raises questions as to the financial viability of China's new Build Operate and Transfer policies designed to ensure the commercial success of signature infrastructure projects by stipulating that Chinese firms under contract with mega-projects provide some of the financial backing from their own resources.¹⁰⁶ Having to bear a portion of the risk may force Chinese firms to reconsider their seemingly relentless appetite for ambitious infrastructure projects in Africa.

Finally, it is worth reflecting upon the fact that this reading of the evolution of local elite collusion is important in substantiating one of Christopher Clapham's chief claims, namely that China would eventually be 'fitted in' to the logic of the African political economy.¹⁰⁷ His argument is that Africa's record of 'intractability' towards big projects would over time affect Beijing's ambitions, even blunting commercial benefits to Chinese SOEs and China's interests more generally on the continent. As the Kenyan case demonstrates, China's ties with African elite networks and, in tandem, its greater exposure to domestic political dynamics are a clear sign that the process of 'fitting China in' is well underway.

106. Chris Alden and Lu Jiang, 'Brave new world: Debt, industrialisation and security in China-Africa relations', *International Affairs* 95, 3 (2019), pp. 643–648.

107. Christopher Clapham, 'Fitting China in', in Chris Alden, Dan Large and Ricardo Soares de Oliveira (eds), *China returns to Africa: A rising power and a continent embrace* (Hurst & Company, London, 2008), pp. 361–369.