Mass protests against Kenyan President Ruto's IMF-dictated Finance Bill

Kipchumba Ochieng 20 June 2024

Mass protests erupted yesterday against President William Ruto's draconian Finance Bill 2024, introduced at the behest of the International Monetary Fund (IMF). The Bill proposes a new round of tax hikes and levies that will increase the price of basic goods.

In Nairobi, the capital, protests took place for a third day in a row, with demonstrators chanting "Ruto must go." Anti-riot police fired tear gas and used water cannon to disperse tens of thousands, many young and protesting for the first time, gathering peacefully near the National Assembly.

According to reports, one protestor has been shot dead, 200 injured and at least 105 others have been arrested across the country.

Demonstrators were attempting to access parliament and were mobilised through social media like Instagram, Tik Tok and X/Twitter under the hashtags #OccupyParliament and #RejectFinanceBill2024.

Cutting across the tribal divides that the Kenyan ruling class systematically cultivates, tens of thousands demonstrated across the whole country. This includes Kisumu, the third largest city and an opposition stronghold; Nanyuki, where the largest British military base in East Africa is located; and Mombasa, home to the main port in East Africa. In Eldoret, a key stronghold of Ruto, hundreds of young people took to the streets and destroyed Ruto's United Democratic Alliance party wheelbarrow symbols.

Protests also took place in Lodwar, Kakamega, Kisii, Nakuru, Edloret, Nyeri, Meru, and Kilifi.

The Finance Bill is a brutal attack on the working class and rural masses, already suffering a soaring cost of living worsened since the COVID-19 pandemic and NATO's war on Russia in Ukraine. It is being forcefully imposed by a ruling elite serving as stooges of the IMF. In April 2021, Kenya entered into a \$3.6 billion deal with the IMF in exchange for savage austerity.

According to a recent survey conducted by Infotrak, 87 percent of Kenyans are opposed to Ruto's Bill. It includes hiking the road maintenance levy, which will lead to an increase in the cost of fuel and of transport, and the increase of Import Declaration Fee from 2.5 to 3.5 percent, which will lead to higher prices of imported goods. The Ruto government is hoping to raise \$2.7 billion, the largest amount of additional revenue extracted from the working class and rural masses in the history of Kenya's Finance Bills.

Mass anger has forced the government to withdraw some of the most unpopular measures, including the 16 percent Value Added

Tax on bread, introduction of a 2.5 percent motor vehicle tax, 25 percent excise duty on cooking oil, an eco-levy on products deemed harmful to the environment—including diapers, batteries, rubber tires, television sets and smartphones—and an excise duty on locally assembled motorbikes in a country with three million *boda-boda* (motorbike taxi) riders.

Ruto has made clear that despite this temporary setback he will continue to impose more tax hikes and levies. By the end of his term in 2027, he is committed to increasing taxes from the current 15 percent to at least 20 percent of GDP. Alternatives being discussed include further privatisations, cuts in healthcare and education expenditure and printing money to stoke inflation.

Yesterday, the Finance Bill passed the second reading in the National Assembly, by 204 votes to 115. The bill will now move to the committee stage and a third reading, before being sent to Ruto for assent.

Ruto accumulated most of his wealth from state sanctioned corruption, starting his political career over three decades ago as a thug employed by Western-backed dictator Daniel arap Moi to terrorise opposition. He won the August 2022 elections promising "bottom-up" economics and to defend the "hustlers", the poor majority, against the "dynasties", the wealthy and politically influential minority that have ruled since independence six decades ago.

Since he was elected president, Ruto's government has imposed attacks including doubling VAT on fuels from 8 to 16 percent; raising taxes on food, mobile money transfers, digital content creation and salaries; increasing social security and health insurance contributions; and cutting public sector employment, as well as taking a levy from workers in formal employment to fund "affordable" housing—a new corruption scheme.

Ruto has defended these measures, stating "the remedy to solve the debt burden to pay taxes and become independent in developing the nation with our own money and even get to the point where instead of borrowing we will be lending to other nations. That is the trajectory we want to go."

This is a fraud. The tax hikes are the pound of flesh demanded by the IMF, which backed the Finance Bill, stating that "the authorities have taken decisive steps towards fiscal consolidation."

Ruto's subservience to imperialism was on full display last month when he grovelled to Washington to put Kenya at its service. US President Joe Biden named Kenya a major non-NATO ally, the first in sub-Saharan Africa, which will allow Nairobi to buy US military technologies and weapons in exchange for offering Kenyan soldiers as foot soldiers of US imperialism. Kenya is already sending US-trained anti-terror police to Haiti, funded to the tune of \$300 million by Washington, tasked with terrorising the population and preventing refugee outflows to the US and Canada.

The protests over the past days seem to have been largely spontaneous, organised through social media. No major party has backed them. This reflects widespread public hostility to all the major parties.

Figureheads include anti-corruption activist Boniface Mwangi, who has promoted the bankrupt perspective of petitioning MPs and boosting opposition leader of Azimio la Umoja One Kenya Coalition, the millionaire Raila Odinga.

Defending him for not attending the demonstrations, Mwangi said, "Raila is also old. He has done this for over 40 years. We should be ashamed of ourselves for demanding more from Raila. He has given his best. If the Opposition has let us down, it is because they have no leader."

Last year, Odinga corralled mass opposition to Ruto, intermittently calling for protests as a way of defusing opposition to Finance Bill 2023. Odinga, articulating the interests of the 0.1 percent of the Kenyan population (8,300 people) which according to Oxfam own more wealth than the bottom 99.9 percent (more than 48 million people), was terrified by developing working-class struggles, particularly civil servants, and called them off.

"It is better when it is known people, like Sifuna and Raila [Odinga], leading these demonstrations. The day Kenyans take this matter upon themselves, there will be no one to call to the table," said Edwin Sifuna, secretary general of Odinga's party, at the height of last year's protests.

Ruto's savage police repression left over 75 people killed and hundreds injured, mostly from live ammunition.

Now the opposition has distanced themselves from the protests, although Odinga and some senior members have made tweets in support.

Francis Atwoli, the secretary general of the Central Organization of Trade Unions (COTU), consisting of 36 trade unions representing more than 1.5 million workers, has openly backed the Finance Bill. He cynically said "people are being taxed everywhere and indeed if we pay tax and the money is used properly we will evade the issue of borrowing money. Borrowing money becomes very difficult for any country to grow."

Atwoli has attacked those trade unions within his umbrella organisation for opposing the Finance Bill. These include Kenya National Union of Teachers, Kenya University Staff Union, University Academic Staff Union, Kenya Medical Practitioners and Dentist Union, Kenya National Union of Nurses, Kenya Union of Clinical Officers and the Kenya Union of Journalists.

These unions, however, representing millions of workers, have refused to call strikes to stop the bill from passing. Over the past years, they have worked to isolate and wear down strikes and opposition, allowing Ruto and his predecessor Uhuru Kenyatta to slash wages and benefits.

The Stalinist Communist Party of Kenya (CPK) and the Morenoite Revolutionary Socialist League (RSL) never raise the necessity for a socialist perspective. Instead, they insist this is a national struggle for "sovereignty" and democracy," falsely presenting the Finance Bill as a Kenyan issue with little connection to mass opposition to austerity and war occurring globally.

The CPK, whose leaders deserted the party and backed Ruto last year, are attempting to channel opposition into the sole demand of removing Ruto, while promoting illusions that he will be responsive to the protests. They declare, "We will exert maximum pressure to lead all processes necessary to remove Ruto from office and hold him accountable for his ongoing crimes," before adding, "The path forward for President Ruto, if he dares to take it, is clear: he must listen to the people, address their needs, and act with honesty and integrity."

The RSL, which supports the US-NATO war against Russia in Ukraine under the banner of a fight against "Russian imperialism" in defence of "democracy", has posted no articles or statements on its X/Twitter account or the website of its international affiliate, the International Socialist League—just a few tweets.

Workers face a political fight not only against the Ruto government but the entire political establishment that defends capitalism and supports austerity and war.

Similar experiences are being made in Pakistan, where opposition has grown against the savage austerity policies of Prime Minister Shehbaz Sharif's military-backed Muslim League. In Argentina, daily protests are being held against the IMF-backed policies of class war under Argentine fascistic President Javier Milei. In Sri Lanka, there is mounting opposition to the IMFdictated Economic Transformation Bill, two years after President Gotabhaya Rajapakse resigned and fled to Saudi Arabia amid mass protests.

No amount of pressure is going to halt the onslaught on living conditions. The central issue is not "more protests," but the fight for a socialist and internationalist perspective to put an end to the capitalist system that puts profits ahead of everything else.

Workers need to rally the urban and rural poor and fight for a socialist perspective in unity with their counterparts internationally. The Ruto regime must be replaced with a workers' government to implement socialist policies and repudiate the debt.



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