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## POLITICAL PATRONAGE AND ETHICS IN PUBLIC PROCUREMENT IN KENYA: AN EMPIRICAL REVIEW

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### ABSTRACT

*The world in general constantly faces both political and economic upheavals due to unethical behavior of politicians and powerful political power brokers. Political interference is likely to shorten policymakers' horizons leading to suboptimal short term macroeconomic policies. Political patronage manifests itself in politicians manipulating procurement processes in favour of family, friends and relatives; skewed public appointments, judicial, legal and policy frameworks; playing politics of ethnicity and tribal balancing; corruption and impunity in public service; and economic influences of corruption. Procurement related corruption has become a matter of great concern across the globe. The main objective of this study was to find out the impact of political patronage on public procurement ethics in Kenya. The research design employed in this study was descriptive. This study relied heavily on secondary data as is the case with most desktop research study. The study reviewed journal articles, unpublished papers and conference papers on the influence of political patronage on public procurement ethics. The paper employed a desktop approach to provide answers to the research objectives. Specifically, the paper used a descriptive approach to gather information from peer-reviewed publications such as, journal articles, environmental organizations reports and books. The study found that corruption thrives in Africa, chiefly because the legal system is porous and openly manipulated, insufficient for monitoring and punishing offenders who constitute the ruling-elite class. Elites in African countries lack a commitment to the fight against corruption. This is demonstrated by their flagrant abuse of court processes and open manipulation of the legal systems. Elements of political patronage such as Favoritism, Cronyism, State Capture, Neopatrimonialism and Conflict of interest, has the capacity of diverting public resources to serve private interests rather than enlightened interests. The study recommended that, to fight Corruption in public procurement, the country's top leadership must commit to fight corruption using the top down approach, strengthen corruption control mechanisms and see to it that offenders are punished. Moreover, the citizenry needs to be mobilized to demand transparency and accountability from those entrusted with state power.*

**Key Words:** *Corruption, Procurement, Political Patronage, Impunity, Public Service*

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## INTRODUCTION

Procurement, the world over is prone to malpractice and corruption. Procurement related corruption is so severe that it impedes sustainable economic, political and social progress. Businesses forego innovation and competitiveness for bribery, while individuals within governments divert funds for their own personal use that should be used to promote the economic wellbeing of the general public, (OECD,2016). Unethical practices lead to corruption. This decreases the government's ability to provide quality essential services and also deprives the citizenry their basic rights, (Kosgey,2020).Corruption is a threat to inclusive growth by undermining the opportunities to participate equally in social, economic and political life and impacting the distribution of income and well-being, (IMF, 2018). When government officials abuse public power for private gain, they do more than simply appropriating illicit wealth. Corruption robs citizens of equal access to vital services, denying the right to quality healthcare, public safety and education. It degrades the business environment, subverts economic opportunity and exacerbates inequality. It often contributes to human rights violations and abuses and can accentuate migration, (WH,2021).

### **Ethics in Public Procurement**

Ethics are the moral principles or values that guide officials in all aspects of their work. Ethical behavior encompasses the concepts of honesty, integrity, probity, diligence, fairness, trust and respect. Ethical behavior includes avoiding conflicts of interest, and not making improper use of an individual's position. Ethical behavior supports openness and accountability in procurement with the result that suppliers have confidence in participating in the Government marketplace. It also reduces the cost of managing risks and enhances trust in public administration, (Menga, & Gikara, 2020, Andika *et al.*, 2022). Concerns over unethical practices such as bribery and bid rigging, embezzlement of public funds, fraud, conflicts of interest, sexual harassment, misuse of confidential information, falsification of documents and other unethical conducts have become common in public sector procurement worldwide, (Amoah & Demetri,2023). Unethical procurement behaviors have critical consequences on the country's, firm's and on individuals' economic growth. For instance, about \$150 billion of global revenue is lost annually due to corruption in procurement. Each year, such unethical behaviors drive away investments and high-value projects as compared to a meagre \$25 billion of foreign aid to the region, (Lamin Ceesay,2019). According to (Kumasey *et al.*, 2017), the estimated damage of corruption lies between 10% and 25%, and sometimes constitutes up to 50% of the contract value. Studies has it that Sub-Saharan Africa is one of the most corrupt places in the world, a factor that largely contributes to the stunted socio-economic growth in the region. A study by (Telgen *et al.*,2016) indicates that, lack of capacity and knowledge regarding procurement, poor project evaluation, Lack of procurement plans and procedures, lack of or limited procedures available to conduct proper public procurement and lack or limited procurement plans drawn up, poorly conducted contract management and limited record management, Weak and/or ineffective procurement organisation, Insufficient numbers of competent and dedicated procurement staff; Lack of understanding of existing procurement law at all levels of most staff in the government have characterized procurement in Africa.

### **Political Patronage and Public Service**

Corruption undermines sustainable economic, political and social development, for developing, emerging and developed economies alike. It endangers private sector productivity by setting incentives to allocate resources to unproductive activities and by deterring innovation and the emergence of new companies, (OECD, 2016). In Kenya, the periods that precede elections have often been characterized by high intensity campaigns. Consequently, greater focus during this period has mostly been on political communication that is unrelated to the real policy challenges that the country is faced with, (World Bank, 2016). Majority of studies strongly link political patronage, which in the vocabulary of political science refers to "how party legislators distribute public jobs or special favors in exchange for electoral support", with the vice, (Jugah *et al.*,2021). According to (Ismail & Richards, 2023), political patronage is manifest when a small number of influential actors in the public and private sectors collude to change rules, regulations, legislation and institutions to

further their own narrow interests at the expense of the broader public interest. In this study, political patronage shall be looked at in terms of Favoritism, Cronyism, State Capture, Neopatrimonialism and Conflict of interest. According to Akuffo & Kivipõld,2020, cronyism occurs where people who belong to one political group or association of old boys/girls are offered jobs without merit to build reciprocal relationships. Favoritism, nepotism and cronyism offer an undue advantage for friends, relatives and longstanding affiliation in disregard for the law.



**Figure 1: Patronage and the Public Service: A Dynamic Performance Governance Perspective.**

**Source:** (Peters, & Bianchi, 2020).

Cronyism initial meaning was “the ability or desire to make friends.” It came into use in political parlance when in 1952 the Truman administration was accused of appointing friends to government posts regardless of their qualifications. A journalist on the New York Times described this practice as cronyism, so modifying the meaning of word (Oxford English Dictionary, 1989). Thereafter, the neutrality and innocence of the word was destroyed. With this change of meaning in cronyism, crony now often entails a derogatory sense of friendship with a trace of political corruption or preferential treatment about it, (Ignatowski, Sułkowski & Stopczy, 2020). Crony capitalism, which is an element of political patronage involves granting of economic favors to friends, relatives and privileged associates- an uncouth practice that is widely regarded as a key factor in corruption, (Li, Roland, Gérard & Yang, 2022). Cronyism manifests itself in public appointments; judicial, legal and policy frameworks; politics of ethnicity and tribal balancing; corruption and impunity in public service; and economic influences of corruption,(Waithaka,2022). The entrenched corruption undermines the state by weakening institutions in ways that erode both their resilience and effectiveness, thereby making a country susceptible to conflict. Corruption corrodes social norms, such as trust, mutual faith and forbearance; in short, it destroys values that foster social capital, the glue that holds society together,(Maina,2019). Corruption contributes to a sharp rise in income and wealth inequality. It hinders public sector productivity by biasing decisions in public expenditures, by impairing the skills and professionalism of the civil service and by reducing public resources available to support productivity in the economy,(OECD,2016).

## Political Patronage and Public Procurement Globally

Procurement features prominently in corruption scandals in developed countries as well as developing countries, suggesting that procurement has characteristics that make it uniquely vulnerable to corruption and that corruption in procurement is particularly resilient, (World Bank,2020). The World bank estimates an annual global cost of corruption at “US\$2.6 trillion, or 5 per cent of the global Gross Domestic Product.” Out of this, the World Bank estimates that more than one third (US\$1 trillion) is composed of the bribes that businesses and individuals pay to access services. Many of the mechanisms that finance conflict are spawned by corruption. The global networks of arms dealers, illicit drugs, human traffickers, terrorists and money launderers are increasingly connected to international conflict entrepreneurs and all thrive in the illicit spaces that corruption opens up, (Maina,2019). Unethical behaviors such as fraud and abuse of resources, moonlighting, destroying, altering or falsifying records, waste and misuse of official time, apathy, sexual harassment, payroll irregularities (especially the use of ‘ghost names’ on government payrolls), cash and procurement irregularities, and pilfering has persisted due to crony capitalism,(Kumasey *et al*, 2017). In Ukraine, crony capitalism is described as systema which reflects the absence of a strong state, and an enduring relationship between big business and the country’s political class that puts their own interests before those of society,(Lough,2021). In Malaysia, Patronage has taken diverse forms, including the provision of money to individual voters and the gifting of public goods to social groups and organizations, (Jugah *et al*,2021). In the UK, the institutional framework limits political influence over central government procurement and successive governments are not able by and large, to disable the institutional checks and balances. In Hungary, the institutional framework is weak, successive governments usurp power to make extensive political appointments to key institutions and to undertake a program of far-reaching constitutional reforms — which have been characterized as ‘democratic backsliding’. These steps expanded the government’s opportunities to politically influence the allocation of state resources through procurement while also making it easier to evade accountability, i.e., reducing constraints on the exercise of power,(Barette,2019).

In the realm of government, instances abound concerning prominent American politicians who were forcefully or voluntarily removed from office when evidence of unethical behaviors came to light. For instance, in June 2004, the governor of Connecticut resigned from his position to avoid impeachment after an investigation indicated he had received several inappropriate gifts from state contractors (Kauffman and Chedekel, 2004). These behaviors by public and government officials have harmful effects on individuals, organizations, as well as the society at large because they offend public sensibilities, damage organizational reputation, create human suffering as well as harm the perpetrators (Palmer, 2013). In 1979 when Bill Clinton was elected as Governor of Arkansas, appointed his wife Hillary to chair the Rural Health Advisory Committee. Then when in 1993, elected as President of the United States, he again appointed his wife to chair a Task Force on National Health Care Reform. In 2017, President Donald Trump appointed his son-in-law Jared Kushner, as a senior adviser to the president. He then announced on 29 March 2017 that his eldest daughter, Ivanka, would also become an official White House employee (Krueger,2020; Ombanda, 2018; Oindo, Oyugi &Samita,2021). The Trump administration epitomized crony capitalism, whereby political leaders extended benefits and protection to businesses in exchange for political acquiescence and economic favors. Under such arrangements, the “cronies” are the “friends” who support and finance autocratic rulers. In exchange for campaign contributions and other funds, they are awarded monopoly positions, special tax breaks, protection against competing imports, and tariff exemptions that are not extended to their competitors.(Krueger,2020). However, under President Biden, measures have been put in place to make it harder for corrupt officials to hide the proceeds of ill-gotten wealth in opaque corporate structures, reduce the ability of individuals involved in corrupt acts to launder funds through anonymous purchases of U.S. real estate, and bolster asset recovery and seizure activities, (WH,2021). In Jordan, a unified procurement by-law, was prepared with the collaboration and support of the World Bank. The new by-law has provisions for all

types of government procurement with several key reform features. It separates policy and regulatory functions from operational functions through an independent procurement policy and oversight unit,(Worldbank,2018).

### **Political Patronage on Procurement Regionally**

Political Patronage is one of the most complex issues facing a large number of countries around the world. Political Patronage is a response to either beneficial or harmful regulation which has a link to a country's legal, economic, cultural and political institutions. According to (Aliyu *et al*,2020), corrupt activities are a product of the benevolent regulations which rewards and permits individuals to avoid penalties for their harmful and dastardly acts. The failure of public procurement system in Africa has been attributed to weak commitment to fighting corruption, ineffective implementation of the reformed procurement system, lack of transparency in the award of government contract, lack of accountability on the part of government, both national and local government in the use of public funds among other factors, (Panya &Awuor,2023). The culture of corruption has grown roots in society at large and become endemic. According to (Jugah *et al*,2021; Cahyati & Lopo, 2019; Wardak, 2019), Political patronage hinders development and boost the motivations for corruption in Africa. Corruption thrives in Africa, chiefly because the legal system is porous and openly manipulated, insufficient for monitoring and punishing offenders who constitute the ruling-elite class. Elites in African countries lack a commitment to the fight against corruption. This is demonstrated by their flagrant abuse of court processes and open manipulation of the legal systems. One of the most potent weapons the elite class has used in undermining the fight against corruption is the legislative and court apparatuses,( Opati ,Zephenia & Gachukia,2019).

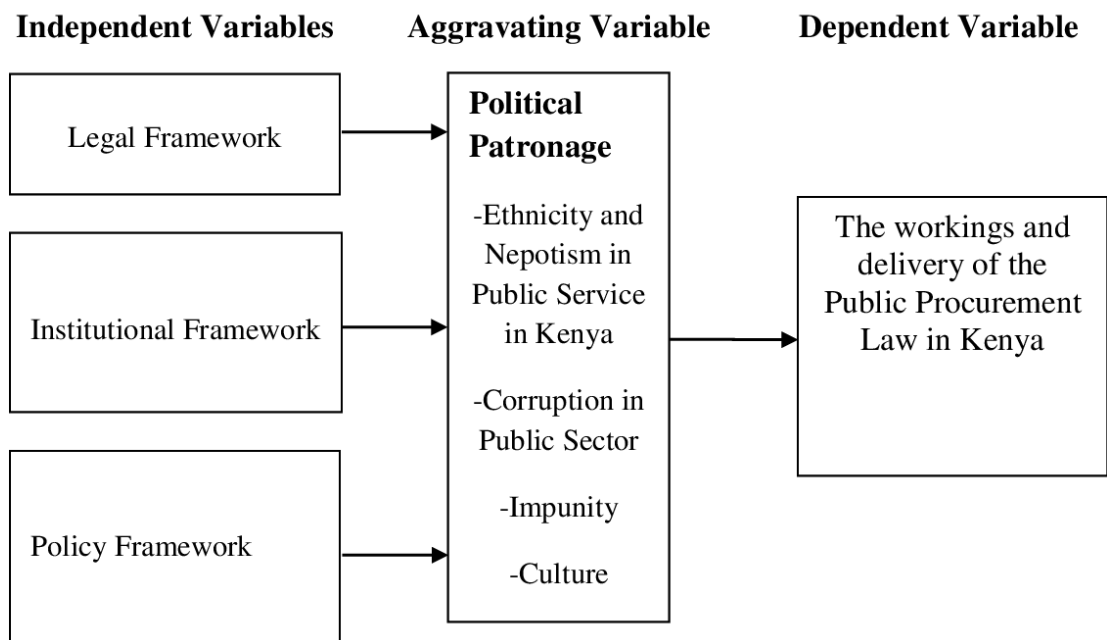
In South Africa, the Gupta brothers' acknowledged friendship with the President and their ownership of lucrative tenders for coal supplies to Eskom, the power utility, has created tension between factions within the African National Congress (ANC), prompting the Deputy President to describe government as waging 'war with itself', (Georg 2016. Dassah, M.O., 2018). According to Ismail & Richards, 2023, Political Patronage became prominent following widespread allegation that several state-owned enterprises and other agencies were infiltrated by persons close to President Jacob Zuma and that they radically altered the processes and functions of these entities to serve the interests of a few individuals and companies linked to Zuma. These institutions included South African Airways, Electricity Supply Commission of South Africa (ESKOM), the South African Broadcasting Corporation (SABC), Denel (arms manufacturer), the State Security Agency and the South African Revenue Service (SARS).Ghana is often cited as a model state in Africa for its successful adoption of neoliberal reforms translated into its 'quality' of governance, its democratic credentials, and its adoption of modern and international anticorruption standards, nevertheless, despite its high-standing on-governance metrics, particularly the adoption of modern standards of procurement, Ghana's procurement related corruption remains and regularly makes news headlines, (Lassou et al,2023). Transparency International's Corruption Perception Index Report rated Nigeria 27/100%, down from 28/100% in 2017. (TI,2018).

Crony capitalism in Nigeria is perpetuated in form of preferential government interventions and approvals such as the irregular award of a tender to for the dredging of Calabar channel to Niger Global Ltd. Niger Global Ltd managed to win the N26 billion contract in spite of its failure to bid for it, opting instead to use political influences to secure a presidential approval mandating the NPA to truncate an ongoing selection process through which six reputable international and local companies were shortlisted, (Arenyeka ,2017). According to (Fagbadebo 2016, Okorie, Ifeanyichukwu & Adibe, 2021), it is normal for certain influential characters in the business class to capture the central government through bankrolling the campaign expenses of the presidential candidates and their running mates, in return to control contracts and appointments in the critical sectors of the economy. For instance, during Olusegun Obasanjo's presidency (1999–2007), the successful businessmen and retired top military officers that formed and funded PDP in the 1999 and 2003

elections allegedly received lucrative shares in the major contracts and in the privatisation of some state-owned enterprises (SOEs), such as Nigerian Telecommunication Limited (NITEL) and PHCN, and in the alienation of federal government property in Lagos State. To achieve the above, as soon as his government was inaugurated in 1999, Obasanjo scrapped the TCPC and in its place constituted the NCP and its secretariat, the BPE, to handle the privatisation and commercialization of the remaining 22 SOEs and, above all, to ensure that the interests of his cronies in PDP were well taken care of.

**Political patronage on Procurement in Kenya**

Corruption networks in public procurement in Kenya have spread their tentacles nationally. With the assistance of high-profile politicians, government bureaucrats especially those involved in public procurement and high-profile lawyers, (EACC, 2017). The 2019 Corruption Perception Index released by Transparency International (TI) ranked Kenya among the most corrupt countries at 137 out of 180 countries scoring 28 out of 100 points. In Kenya, corruption is a sensitive issue with serious consequences. Moreover, engaging in corruption is an illegal act, punishable under Kenyan law, (Waithaka, 2022), however, the culture of corruption has grown roots in the Kenyan society at large and it is becoming endemic. According to Ethics and Anticorruption Commission (EACC), in the period 2019/2020, the Commission finalized and forwarded to the Director of Public Prosecutions (DPP) a total of 163 files on corruption, economic crime and ethical breaches. In the same period, public assets valued at approximately KES 12.1 billion were recovered and 14 applications processed to preserve assets valued at approximately KES 9.3 billion. Eighty-eight (88) illegally acquired public assets with an estimated value of KES 25.3 billion were traced and recovered. In addition, 31 proactive covert investigations were conducted, averting possible loss of public funds estimated at KES 10 billion, (EACC,2020). Corruption is entrenched in Kenya because politicians and bureaucrats and other corrupt private agents (individuals, groups, and businesses) benefit from it. The persistence of corruption points to the fact that something is wrong with our moral upbringing starting from the family unit, (Kempe, 2014).



**Figure 2: Political Patronage on the Operationalization of Public Procurement Law in Kenya**

Source: (Njuguna,2017)

Corruption has become our way of life as a people. People celebrate corrupt leaders,(Panya,2021). In Kenya, a change in administration often triggers shake-ups in parastatals as the president and ministers move to assert their influence over government-managed firms that have previously been used as centres of patronage by

previous regimes, (Guyuyu,2022). According to (Ndi,2018), President Kenyatta's family set up Koto Housing Limited, a family business meant to cash in on the Affordable housing program by his government, making it easy to trade with the government during his tenure as president. Similarly, a senior manager at the Kenya Pipeline Company admitted that nepotism is deeply entrenched in the company. He confessed that all senior and middle level managers had recruited many of their relatives into various departments. The engineering manager, at the time, agreed that his daughter was employed in the company and he was not the only senior manager with relatives employed in the same company, (Ombanda, 2018, Oindo, Oyugi &Samita,2021). According to (Muange & Chirchir, 2016,Mutangili,2019), the scourge of corruption is passed on from one government to the next. Illegal conversion of public resources to personal use, embezzlement of funds through public procurement, and the proliferation of high level as well as petty bribery to facilitate escape from justice, among other vices, has correlation to dismal growth in many sectors of the economy and to under-development of the nation as a whole.

### **Statement of the Problem**

Procurement related corruption has become a matter of great concern across the globe. By influencing the award of public procurement contracts, e.g., through appointing allies to evaluation committees, or directly exerting pressure on procurement officers, captor groups can gain access to vast shares of public spending,(Barrett,2023). Corruption networks in public procurement in Kenya have spread their tentacles nationally with the assistance of high-profile politicians, government bureaucrats especially those involved in public procurement and high-profile lawyers, (EACC, 2017). Political patronage manifests itself in politicians manipulating procurement processes in favour of family, friends and relatives; skewed public appointments, judicial, legal and policy frameworks; playing politics of ethnicity and tribal balancing; corruption and impunity in public service; and economic influences of corruption,(Waithaka,2022). These unethical practices corrode social norms, such as trust, mutual faith and forbearance; in short, it destroys values that foster social capital, the glue that holds society together,(Maina,2019).

In the USA, the successive administrations have epitomized crony capitalism, whereby political leaders extend benefits and protection to businesses in exchange for political acquiescence and economic favors. Under such arrangements, the "cronies" are awarded monopoly positions, big government contracts, special tax breaks, protection against competing imports, and tariff exemptions that are not extended to their competitors.(Krueger,2020). However, currently, measures have been put in place to make it harder for corrupt officials to hide the proceeds of ill-gotten wealth in opaque corporate structures, reduce the ability of individuals involved in corrupt acts to launder funds through anonymous purchases of U.S. real estate, and bolster asset recovery and seizure activities, (WH,2021). In the United Kingdom, the capacity of political elites to control the public procurement through patronage is much weaker. The institutional framework put in place limits political influence over central government procurement, (Barrett1 & Fazekas,2019). In Jordan, a unified procurement by-law, was prepared with the collaboration and support of the World Bank. The new by-law has provisions for all types of government procurement with several key reform features. It separates policy and regulatory functions from operational functions through an independent procurement policy and oversight unit,(Worldbank,2018).

The 2019 Corruption Perception Index released by Transparency International (TI) ranked Kenya among the most corrupt countries at 137 out of 180 countries scoring 28 out of 100 points,(TI,2019). Majority of studies strongly link political patronage with procurement related corruption, (Jugah *et al*,2021). For instance (Ndi,2018) posits that, Koto Housing Limited, a family business associated with former President Uhuru Kenyatta was formed in the wee periods of the Jubilee government with the sole purpose to cash in on the Affordable housing program, one of the key pillars of the Big Four agenda. Similarly, a senior manager at the Kenya Pipeline Company admitted that nepotism is deeply entrenched in the company, (Ombanda, 2018, Oindo, Oyugi &Samita,2021). According to (Muange & Chirchir, 2016,Mutangili,2019), illegal conversion

of public resources to personal use, embezzlement of funds through public procurement, and the proliferation of high level as well as petty bribery to facilitate escape from justice, among other vices, is a scourge of corruption that is passed on from one government to the next. Institutions, which were designed for the regulation of the relationships between citizens and the State, are being used instead for the personal enrichment of public officials (politicians and bureaucrats) and other corrupt private agents (individuals, groups, and businesses). (Kempe,2014). Unethical behaviors such as fraud and abuse of resources, moonlighting, destroying, altering or falsifying records, waste and misuse of official time, apathy, sexual harassment, payroll irregularities (especially the use of 'ghost names' on government payrolls), cash and procurement irregularities, and pilfering has persisted due to political influence by few political elites,(Kumasey *et al*, 2017).

Corruption contributes to a sharp rise in income and wealth inequality. It hinders public sector productivity by biasing decisions in public expenditures, by impairing the skills and professionalism of the civil service and by reducing public resources available to support productivity in the economy,(OECD,2016). Corruption is a threat to inclusive growth by undermining the opportunities to participate equally in social, economic and political life and impacting the distribution of income and well-being, (IMF, 2018). When government officials abuse public power for private gain, they do more than simply appropriating illicit wealth. Corruption robs citizens of equal access to vital services, denying the right to quality healthcare, public safety, and education. It degrades the business environment, subverts economic opportunity, and exacerbates inequality. It often contributes to human rights violations and abuses, and can drive migration,(WH,2021).

A comprehensive literature review reveals that a number of studies have considered only one aspect of these unethical practices. Most studies concentrated on the influence of political patronage on appointment to public institutions and governance, abuse of office and political influence with emphasis on winning elections. Studies by (Barrett,2023) briefly mentioned the influence of favoritism, nepotism, cronyism, Prebendalism and Kleptocracy on public procurement. The researcher did not elaborate on effects of these unethical practices on procurement ethics. Studies by (EACC, 2017) elaborately narrated how corruption networks in public procurement in Kenya have influenced the award of public procurement contracts with the assistance of high-profile politicians and government bureaucrats. The study failed to show the different forms of political patronage and their influence on public procurement in Kenya. Other studies by (Mbiti, 2019, Li, Roland, Gérard & Yang, 2022, Waithaka,2022, Africog,2019, Barrett1 & Fazekas,2019, Krueger,2020, TI,2019, Jugah *et al*,2021, Ombanda, 2018, Oindo, Oyugi &Samita,202, Muange & Chirchir, 2016, Mutangili,2019, Kempe,2014, Kumasey *et al*, 2017, OECD,2016, Cao , Li & Cao, 2022 and EACC,2020), shows that there is minimal research so far on the effects of political patronage on procurement ethics. Most researchers majored on only one aspect of political patronage thereby leaving wide research gap to be explored especially in view of different forms of political patronage with a biased to influence on procurement ethics.

### **Objectives of the Study**

The general objective of this study was to assess the influence of political patronage on the procurement ethics in Kenya.

### **LITERATURE REVIEW**

The world in general constantly faces both political and economic upheavals due to unethical behavior of politicians and powerful political power brokers. Political stability plays a remarkable role in the country's economic evolution; as the stability of the government system, provides a comfortable environment that enhances the investors and economists to practice and execute their activities, (Njuguna &Kimani,2017). An unstable political system could seriously restrain or hinder economic efficiency. Political interference is likely to shorten policymakers' horizons leading to suboptimal short term macroeconomic policies. It may also lead to a more frequent switch of policies, creating volatility and thus, negatively affecting



macroeconomic performance,(Sethi,2021). According to (Opati *et al*,2019), Corruption is a crime which goes unnoticed by its victims. It is a response to either beneficial or harmful regulation which has a link to a country's legal, economic, cultural and political institutions. There are concerns over unethical practices such as bribery and corruption, embezzlement of public funds, fraud, conflicts of interest, sexual harassment, misuse of confidential information, falsification of documents and other dysfunctional conducts that have become common in public sector organizations worldwide, (Kumasey *et al.*, 2017). Elites within the political arena in Nigeria used their contacts, networks and political positions to weaken relevant sections and sub-sections of the legislative rules when promulgating laws that would assist the fight against corruption — thereby creating administrative bottlenecks vis-à-vis administrative corruption which further helps their corrupt practices. Secondly, the elite ruling class have emboldened legislative, legal and court corruption in Africa. Elites have deployed their ungodly wealth and proceeds from their criminal activities to get justice from law courts,( Opati *et al*,2019).In Kenya, corruption persists primarily because there are people in power who benefit from it and the existing governance institutions lack both the will and capacity to stop them from doing so. Despite the existence of an anti-corruption commission, Kenya is still classified as one of the most corrupt States in the world (TI, 2022). Where corruption persists, as it does in Kenya, it is an indication of things (such as governance institutions) falling apart. Corruption in Kenya is systemic and goes beyond individuals to the structural and institutional levels. Bribery, theft in County revenue, procurement irregularities, nepotism, shoddy roads and bridges construction, forgery of documents, conflict of interest in awarding of tenders and recruitment of staff are the most prevalent forms of corruption experienced in government, (EACC, 2017).

The Public Service according to OECD (2016) is a public trust and the citizenry expect public servants to serve the public interest with fairness and manage resources properly on a daily basis. Fair and reliable public service ethics are the fundamental prerequisites to shore up public trust and a keystone to good governance. Kenya's 2010 Constitution was a landmark achievement to overcome ethnic differences as it introduced a devolved governance system and institutional reforms to promote equity and accountability in the political system. Impunity exercised through Political Patronage, however, remains a challenge as politicians remain powerful actors in policymaking and governance, (Mokaya *et al*,2021). To generate sustained economic growth, the government must implement many reforms to curb political interference in public procurement. According to EACC, Corruption has resulted the country's underdevelopment, poor service delivery, poor road construction, budget deficits, denial of public participation in project selection and budgeting process, unfair recruitment process, hampering service delivery as public funds are embezzled, widened gap between the rich and the poor and enormous loss of Government funds,(EACC,2015).

## **METHODOLOGY**

### **Research Design**

Research design refers to the method used to carry out research. This research problem was studied through the use of a descriptive research design. According to Cooper and Schindler, (2003), a descriptive study is concerned with finding out the what, where and how of a phenomenon. Descriptive studies are not only restricted to fact findings, but may often result in the formulation of important principles of knowledge and solution to significant problems (Mugenda&Mugenda, 2003), which was the basic purpose of the study. This article builds upon an earlier article that published by Business Daily Africa titled, "*Ethical procurement holds key to Kenya's-fast growth, honor*" To assess the influence of political patronage On procurement ethics in Kenya, we reviewed the empirical literature on Political Patronage looking from global perspective, regional to local perspective. Our review included studies from recent journal publications that use rigorous methodologies to demonstrate a positive link between Politics and public procurement world over. All studies included in the review appear in peer-reviewed journals, or represent rigorous, large-scale research studies submitted to various universities and subject to review. This Article also relied heavily on other secondary

data as is the case with most desktop study where existing information is used for analysis and to draw vital conclusions. Some of the specific sources of data for the study include books, journal articles, unpublished papers, and government reports, organizational and private Web Pages. This type of research approach is employed when a substantial amount of work has been done on a research topic and when the intention of the study is to answer specific questions based on previous works. It is for these reasons that the present paper utilized this approach to examine what different researchers have said on the influence of political patronage in procurement ethics.

## Discussions

### State Capture and Procurement ethics

In the past 10-15 years, the concept of state capture has been used to describe practices that have emerged in many more countries, including some that were once viewed as resilient democracies or, at least, on a secure path towards democratization. This term has been used to describe governance in South Africa under Jacob Zuma, for example, and in Hungary under Viktor Orbán, as well as in Turkey under Recep Tayyip Erdogan, in Serbia under Aleksandar Vucic, Angola during the Dos Santos regime, the Rajapaksa family's Sri Lanka, and the closely entwined business political relationships unearthed by the Lava Jato scandal in Brazil and other parts of Latin America (Bhorat *et al.* 2017;Barett,2023). According to (Lassou et al, 2023), State capture is a group phenomenon whereby some members of the political elite and business connect to appropriate parts or functions of the state and use its resources to the benefit of the group while harming the public good. According to (Ortrun ,2022), state capture in Kenya is manifested in political policy decisions in return for favors, policy formulation aimed at gaining personal wealth, nepotism, misappropriation of state property, outright theft, granting favors to friends, and abuse of public position. Corruption scandals such as the Goldenberg and the Anglo-Leasing, in which the government lost billions of Kenyan shillings (KSH) in fraudulent and false business contracts, also showed the close relationship between corrupt political financing and democracy in Kenya. A study by (Migai-Akech, 2005), observed that state capture works in governments, which tend to be unpopular with the citizenry to ensure that only their narrowly drawn and often ethnic constituencies have access to public resources, such as lucrative public procurement contracts. According to him, public resources are therefore a means through which such governments "purchase" legitimacy to remain in power. In such regimes, ethnic mobilization become a factor in influencing decision-making, appointments, deployment of resources and promotion in many public sector institutions in Kenya. He observed that tribalism, nepotism, cronyism is now a major concern in many public institutions. This ethnic political manipulation is a form and major source of corruption and impunity with the benefiting tribe being increasingly seen to be associated to the person exercising authority and political power.

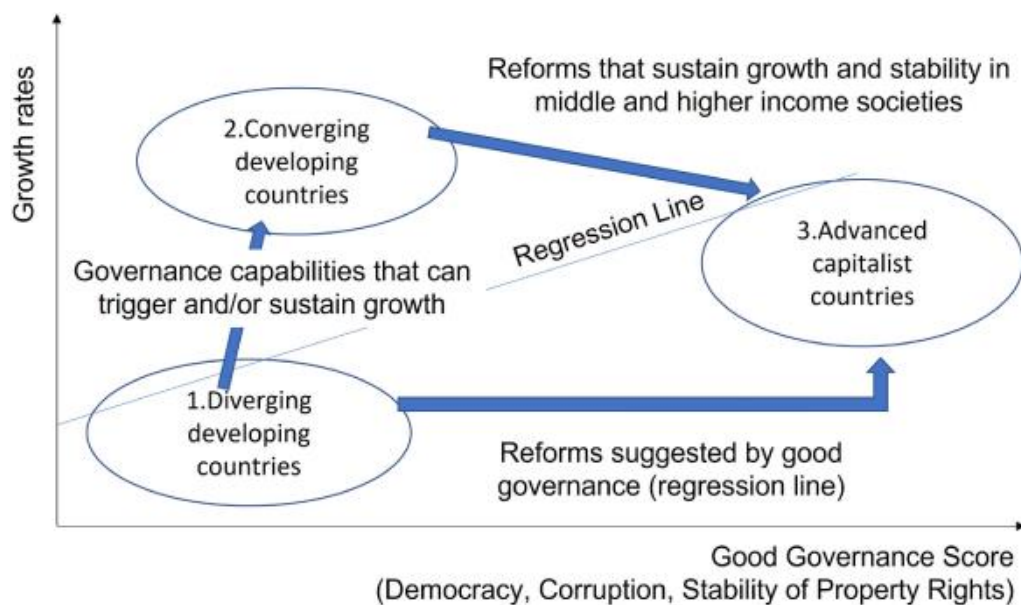
(Mokaya & Bett, 2021), posits that between May 16<sup>th</sup> and 19<sup>th</sup>. 2013 the then Deputy President, now the President travelled by chartered plane to Congo Brazzaville, Ghana, Nigeria and Gabon and spent a total of Twenty-one million, one hundred and sixty-seven thousand, and five hundred and seventy-nine and twenty cents (KSHS, 21,167,579.20). PAC of Kenya's National Assembly Committee's findings demonstrate that procurement norms, processes, and practices were broken during the aircraft hire. According to the investigation, the aircraft was not inspected as required because the purchase process did not include an inspection and Acceptance Committee constituted for the procurement. In March 2015, (175) high ranking government and state officials including Members of parliament, Cabinet Secretaries, principal secretaries, a handful of governors and senators were asked to resign from ministries, departments, state corporations, and agencies to enable for investigations into allegations of procurement corruption, abuse of office, and incompetence. A study by (Maina, 2019), *State capture; Inside Kenya's inability to fight corruption*, posits that state capture perspective requires us to see the state elite, not as a government at all, but as "a vertically integrated criminal organization" that operates in the shadow of the constitutional state. He portends that State capture solely depends on control of the Presidency and operates on the rule that no one should be allowed to

threaten the President and other men of power. For instance, Goldenberg drew in the most powerful men in the Moi government: the President himself, his deputy, his security chief and some of the most powerful members of Cabinet. Once the Presidency is compromised by mega-corruption – as Moi was by Goldenberg, Kibaki by Anglo Leasing and Uhuru by the Eurobond scandal – the whole government machinery becomes completely permissive towards corruption. Impunity becomes the glue that holds the system together and the impunity of low-level functionaries is the price the bosses pay to avoid subversion from within.

A study by (Kosgey et al, 2020), *Ethical leadership and county governance in Kenya: A case study of Uasin Gishu county*, established that , acting in the public interest encompasses the seven principles of good governance. These principles include: Implementing good practices of transparency and in reporting such services to deliver effectively, develop the capacity of countries to govern and define outcomes in terms of sustainable economic development by determining the interventions necessary to optimize the achievement of intended outcomes in governance. The principles also include openness and comprehensive stakeholder engagement which include the capability of a country's leadership abilities, the ability to manage risks and performance through appropriate internal mechanisms and the application of strong public financial management. The study recommends that national and county governments should design reporting mechanisms to avert unethical practices, such as corruption, and strengthen institutions, reduce bureaucracy, encourage public participation, and entrench accountability and transparency.

### **Neopatrimonialism and Procurement Ethics**

According to (Masenya, 2017). Neo-patrimonialism is a modern form of the traditional patrimonial system of rule, as a mixed system that includes elements of both patrimonialism and legal-rational rule. The 'neo' of neo-patrimonialism refers to the pervasiveness of patrimonial structures of authority, but with the appearance of legal rational institutions and bureaucracy. (Mkandawire 2013), defines 'Patrimonialism' as a form of governance in which all power flows directly from the leader. This constitutes essentially the blending of the public and private sector. These regimes are autocratic or oligarchic and excludes the upper and middle classes from power. (Harnois et al,2023) states that Elite capture, shows that a sizeable part of aid is illegally transferred abroad by top politicians of poor developing countries, in foreign banks, as a form of not retraceable fiscal evasion. According to (Soest ,2021), the term 'neopatrimonialism' denotes the overlapping of different logics of authority, of patrimonialism and legal-rational domination. The ideal type of patrimonialism connotes that a patron confers gifts on followers to attain and strengthen their loyalty. Clients, in turn, obtain material benefits and protection in exchange for their support. In a politics that is dominated by these exchanges, 'patrimonial domination is exercised by a ruler with the help of an administrative staff. In other words, the patriarchal logic is used beyond the kinship ties, on a larger scale'. This causes economic stagnation and prevents the state from adopting economic reforms and creating the conditions conducive to private investment and growth. In other words, private accumulation and rent-seeking takes precedence over public investment and macroeconomic stability.



**Figure 3: Neopatrimonialism in Africa: A Review of Concepts, Practices and Implications**  
**Source: (De Sousa & Cuadrado, 2023)**

Neopatrimonialism has dominated many African states, though at varying degrees. Most regimes in African states have diverted from the much-needed democracy to a patrimonial regime blended in modern state. Neopatrimonialism takes many forms for different nations, and has differing impacts as well, (Bonga, 2021). In South Africa, whose constitutional democracy is globally celebrated, state elites are openly accused of crony capitalism and “tenderpreneurship”. (Masenya, 2017). (Phiri, 2022), enlists neopatrimonialism to investigate corruption and lack of accountability in Zambia and finds that the use of ‘selective accounting practices’ was instrumental in diverting public resources to the benefit of members of corruption networks. Lassou and Hopper (2016) study on “a government accounting procurement in a Francophone African country”, found that the process used lacked due diligence and marked by a collusion between domestic and foreign actors seeking personal and political gains. A study by (Lassou et al, 2023), *Monetization of politics and public procurement in Ghana*, suggest that the increasing costs of elections and political financing coupled with the costs of vote-buying, which has become informally institutionalized, intensify corruption practices and, consequently, turns public procurement into a mere source of cash for political ends. Political appointments and legalized loopholes facilitate this by helping to nullify the safeguard accounting and other control institutions are designed to provide. According to (Khasoane 2019), in patrimonialism system, all the executive powers are centered solely on the leader to execute major policy decisions without dissent. In extreme circumstances, power and decision making in patrimonial states take place outside the formal governance structures where the ‘big men’ and their cronies are motivated by personal interests rather than improving the wellbeing of the citizens. This implies that those who have financial or influential powers can influence the political leader to informally surrender some executive powers to them in order to make decisions on resources or on any other key government functions that would benefit them. According to (TI, 2021), In recent years, the auditor general has unearthed most counties as non-compliant to the government financial regulations and procedures. This ranges from entering into commitments without approved budgets or funds budgeted, huge pending bills whose accuracy and validity cannot be verified, a lack of proper documentation, payments to dubious contractors, inflation of prices of goods and services, misappropriation of resources and the irregular award of tenders. For instance, the 2018- 2019 audit of the Nakuru county executive revealed the misappropriation of revenue amounting to more than KSh8 million (approximately US\$74,000) from the Bahati sub-county hospital (Office of the Auditor General 2019: 4).

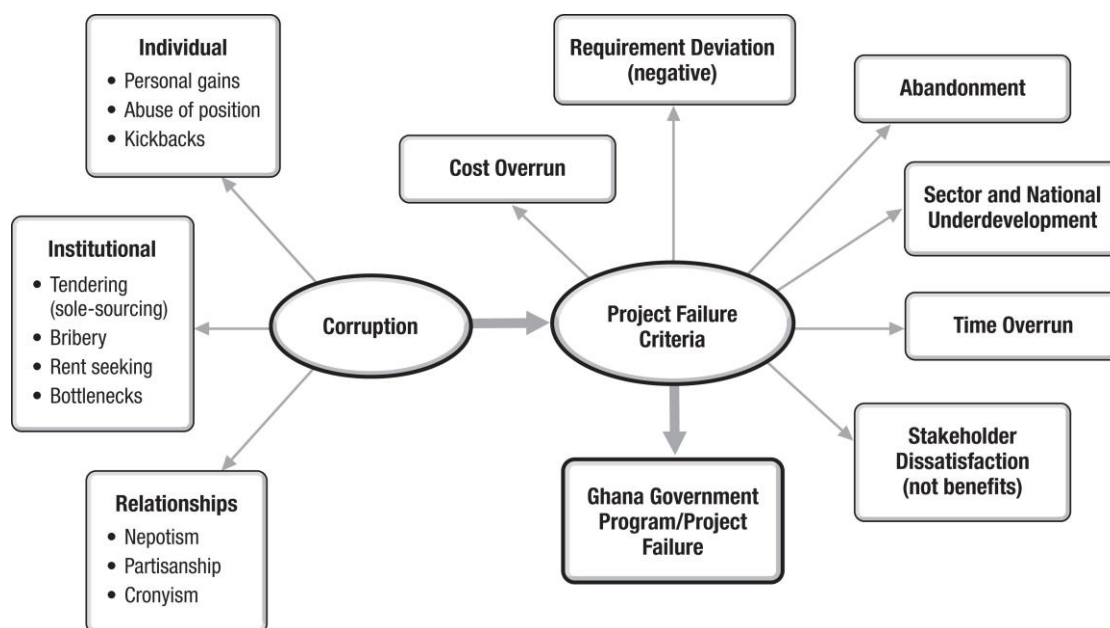
However, the lack of clarity regarding who takes precedence in reviewing and following up on audit reports between the county assembly and the senate has been a challenge.

According to (Mokaya & Bett, 2021), In the Aror and Kimwarer Dam controversy, Enterprises were paid Kshs. 21 billion for the supply of goods and services. Payments were tracked to individual accounts and corporations after investigations, but no services or goods were provided by such firms. Eight persons were arrested on fraud and corruption accusations related to the multibillion- shilling Aror and Kimwarer dam projects including the then Cabinet Secretary Henry Rotich. The tenders were given to the directors of CMC di Ravenna and Itenera of Italy, in complete violations of the procurement laws. In the NYS Scandal, of 2015, the country lost Kshs. 791 million in unaccounted funds, and in 2018, the country lost Kshs. 13 billion through theft by a shadowy network of dubious service providers. When roughly 350 power companies were barred from energy bids, a further sensational corruption case erupted. These companies were involved in Kenya Power & Lighting Company Ltd corruption schemes. This incidence of private-sector corruption was so serious that Kenya's Energy Minister, Charles Keter, had to keep an eye on it. He looked at the data from Kenya's Energy Minister's internal audit and determined that 350 of the 500 organizations did not meet the pre-qualification requirements. Furthermore, such information exposed how certain staff were collecting bribes and favoring shady businesses. According to (Ortrun, 2022), the persistence of corruption in Kenya is because of centralized power, the absence of strong and effective institutions, a lack of public accountability, and impunity. The twenty-four-year rule of Daniel Arap Moi set a precedence of public officers systematically undermining public institutions by personalized, centralized presidential powers. This resulted into lack of ethical leadership and public accountability among public officials in Kenya. This shows that it has been easy for political leaders in sub-Saharan Africa to opt for patronage as a non-coercive strategy to secure power and to abandon their core responsibilities such as obtaining freedom and pursuing the developmental agenda for their people. The elites that are deployed at the key public offices are entrusted to facilitate the distribution of resources and other favors which include jobs, tenders or services to deserving clients. Higher-level bureaucrats pursue political agenda of their parties through allocation of public expenditure, goods and services in a manner that attracts and rewards loyalty so that political leadership can retain government's incumbency (Khasoane 2019).

### **Cronyism and Procurement Ethics**

The prevailing opinion among experts is that political patronage is having a negative effect on GDP growth (Gerring, Bond, Barndt, Moreno, 2005). For instance, cronyism was involved when executives in Asian financial institutions extended excessive credit to customers with whom they held personal connections (Economist, 1998). However, the Enron debacle illustrates its practice in full form: Cronyism comes from the word crony, which originated as a piece of Cambridge University slang around the 1660s. Originally written as chrony, it was based on the Greek word *khronios*, meaning "long-standing." Crony seems to have been intended to mean "friend of long-standing" (Dictionary of Word Origins, 1990). Cronyism appeared around 1840 and its initial meaning was "the ability or desire to make friends." It came into use in political parlance when in 1952 the Truman administration was accused of appointing friends to government posts regardless of their qualifications. The debate on the impact of the unethical political influence on economic growth has been a focus area for researchers for a long time. Crony capitalism, which is the granting of economic favors to friends, relatives and privileged associates, is widely regarded as a key factor in corruption, (Khatri, 2016). Cronyism manifests itself in public appointments; judicial, legal and policy frameworks; politics of ethnicity and tribal balancing; corruption and impunity in public service; and economic influences of corruption, (Oindo, 2021; Waithaka, 2022). Dysfunctional behaviors such as fraud and abuse of resources, moonlighting, destroying, altering or falsifying records, waste and misuse of official time, apathy, sexual harassment, payroll irregularities (especially the use of 'ghost names' on government payrolls), cash and procurement irregularities, and pilfering has persisted due to crony capitalism, (Kumasey, 2017). A study by (Githongo, 2007), Kenya's Fight against Corruption; An Uneven Path to Political Accountability posits that

there are three problems that must be resolved with regard to the future of the fight against corruption in Kenya. First, national security and government procurement have become the last refuge of the corrupt. Second, Africans have to decide who should pay for democracy in Africa. We need to learn how to win elections without stealing money or getting resources from special interest groups. Third, we need to learn how to make the fight against corruption more effective. It seems that restitution is more important than prosecution in the fight against corruption. Corrupt people want to go to court. They can keep fighting the legal battles for a decade and their lawyers tend to be better paid than government lawyers. It is far more effective to demand restitution, which takes money away from the corrupt, freezes their assets, and locks their accounts.



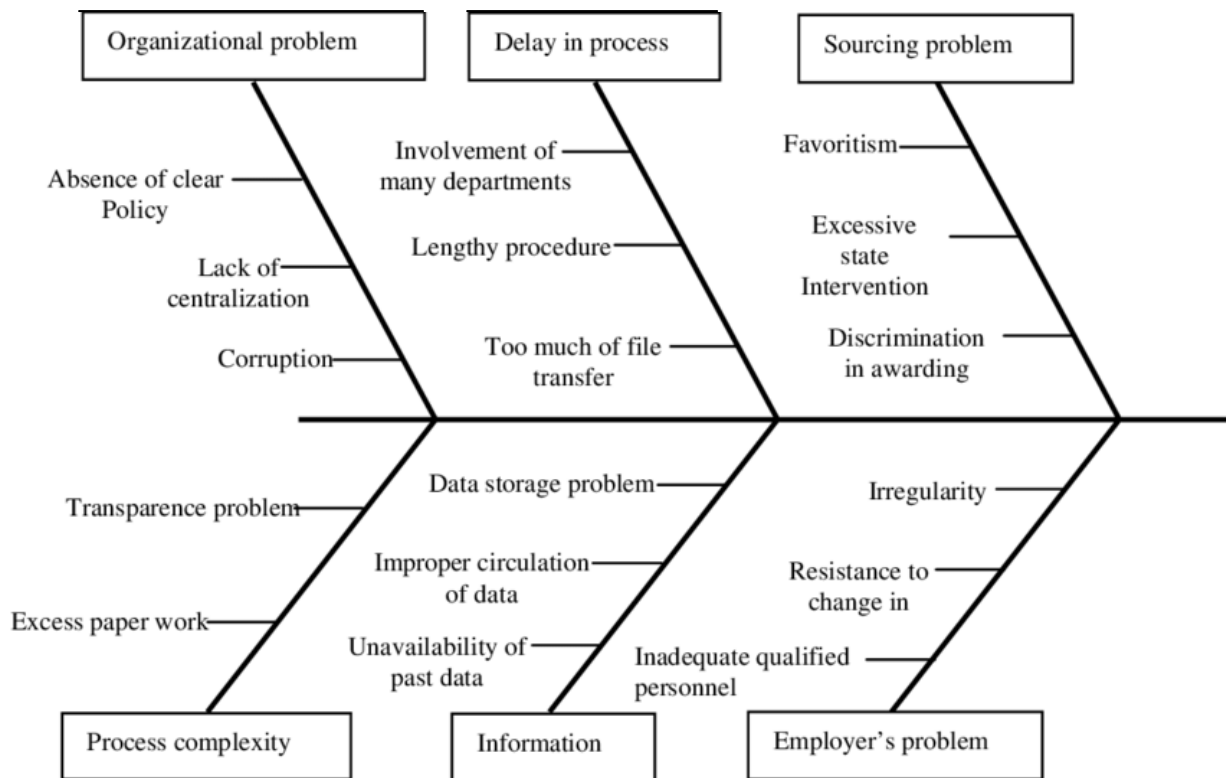
**Figure 4: Corruption as a Source of Government Project Failure in Developing Countries.**  
**Source: (Damoah, et al, 2018).**

Wrong (2019), argues that from the beginning of Africanization of top positions in the public sector, the politicians who were in power then used cronyism as a weapon, ethnicity and nepotism as a criterion to appoint people into these public service positions. Because of this background, upon coming to power, President Moi consolidated himself in power by resorting to the same tools of ethnicity and nepotism in giving top positions to his friends and loyalists in the public service. According to (TI,2021), A special report by the auditor general revealed irregularities by county governments in the use of COVID-19 funds. These irregularities included non-adherence to procurement procedures, misappropriation of funds in Bungoma and Kitui, inadequate record keeping on procured goods by county governments and inconsistencies between quantities supplied by Kenya Medical Supplies Authority and those received by counties (Office of the Auditor General 2021). In 2020, Migori governor Okoth Obado and his four children faced corruption charges amounting to KSh73 million (approximately US\$670,000). According to the director of public prosecutions, the governor children allegedly directly benefitted from public funds paid to companies that traded with the county government of Migori during his first term in office (Muriuki 2020). According to (Rajpaul, 2018), Tribalism refers to a situation that involves consciously knowing about one belonging to the other groups. Nepotism refers to the process of distributing public resources while using friendship or blood relations as the criterion. This became a norm in the public service. One would be appointed to a top management position and would use the same criterion of tribalism and nepotism in redistributing public resources and services. This practice has been followed through by successive regimes to date. (Chilunjika et al,2022), in addition argues that, that there exists a drift that associates the leadership of the country with

legislative frameworks which govern procurement in the public sector that needs to be unknotted to obscure challenges encountered in procurement, whose roots can be sketched back to the political arrangement of power in the country. According to (Khasoane 2019), Since the criterion used to distribute the resources and benefits largely depends on patron-client relations within a government, factors such as quality, especially in awarding tenders, and fairness in the distribution of resources are ignored. This situation becomes a source of endemic corruption in Africa mainly because political leaders create a desperate state whereby people from all sectors are made to believe that success can only be attained if they overtly or covertly support a political party or political parties that form government. This explains why it is a common phenomenon in the African context to have companies that monopolize certain lucrative tenders. When their affiliated political party wins elections and seizes government powers such companies do not only become certain about being awarded lucrative tenders, but they also influence decisions on development policy direction so that they can secure their benefits from the system.

### **Favoritism and Procurement Ethics**

According to (Kimani,2017), on the face value, public procurement in Kenya seems to be working well, but underneath lies a serious problem of political patronage resulting into under-performing institutions and endemic corruption which is threatening to erode the gains made so far in the sector. Irregular processes of awarding tenders form bulk of corruption in the public procurement. According to (Chilunjika *et al*,2022; David-Barret & Fazekas, 2016), favoritism in public procurements represents a particular form of clientelism in which government contracts are traded for financial gain (kick-backs), either supporting political parties and their campaigns or serving as a private income for politicians. In light of this, Hicken (2011) defined clientelism as the particularistic allocation of state resources by political elites, in exchange for political support. In this regard, the tendering process in developing countries is, habitually, wedged by the proliferation of patronage politics within the government sector. Magaya and Chidhawu (2016) noted that unethical practices by procurement staff in discharging their duties result in tenders seeming to swing towards political elites. Favoritism in public procurement can come in a number of varieties. An obvious case for favoritism emerges when in the presence of preference asymmetries, i.e., if the procurement agent has a preference for one of the bidders, (Hyytinen et al,2005). Chigudu (2014) contends that procurement in the public sector institutes the foremost tool for perpetuating patronage politics. Patronage politics also operate in regimes that incline one to be out of favour with the populace to make sure that only their narrowly-pinched and repeatedly ethnic communities have access to public funds through profitable public procurement contracts. (Khasoane 2019), attests to this arrangement by showing that in governments where neopatrimonialism dominates, real power and decision-making do not reside within the government, but are in the hands of ‘big men’ and their cronies who constantly seek to advance their interest at all costs.



**Figure 5: Cause and Effect diagram of problems in government tender awarding process**  
**Source: (Sidhartha & Mohapatra,2007)**

(Maina,2019), asserts that, on the bureaucratic side, there is usually a coterie of favored officials who are allowed to accumulate, concentrate and exercise power in completely unaccountable ways, often behind the shield of presidential privilege, state security or defense, procurement. On the business side, there is often a clique of local businessmen allied to political insiders, or alternatively, the favored groups are shadowy, international companies whose shareholders are usually unknown. Capturing and controlling the Presidency – the source of power – and the Treasury – the source of money – is essential to fashioning the ‘criminal web’ necessary to repurpose government for the benefit of rent seeking elites. According to (Lassou et al, 2023), the essence of favoritism lies in the shaping of the rules of the game and manipulating public policy to the advantage of the businesspeople, political elite and members of their networks. Fazekas and Tóth (2016) distinguish between two forms of state capture: the localized and the systemic. While the localized form creates ‘islands’ of autonomy, the systemic form is commonly observed in many African countries where the government is often at the core of capture initiatives through agencies and departments across the state. In the Maize Importation Scandal of 2010/2011,Price Water Cooper (PWC) was commissioned by the prime Ministers’ Office and the Ministry of Finance launched an independent forensic investigation into the National Cereals and Produce Board (NCPB) potential irregularities. The investigations revealed that NCPB would sell maize to millers at controlled rates in order to deter middle men and other business people from taking advantage of the system, and the millers would then sell maize meal at subsidized prices, according to the government plan. Although several employees were allegedly suspended and probed, little was done or will be done in response to the maize scandal’s losses. Those who were suspended were subsequently reinstated or moved to different government docket,(Maina,2019). According to (TI,2021), Patronage networks remain a challenge in Kenyan counties, and this is manifested in elections where voters and political players see opportunities to access public resources through patronage and ethnic networks. (Chilunjika *et al*,2022), asserts that, political meddling by local politicians, other powerful stakeholders, and senior management has discouraged transparency, resulting in non-compliance in the area of public

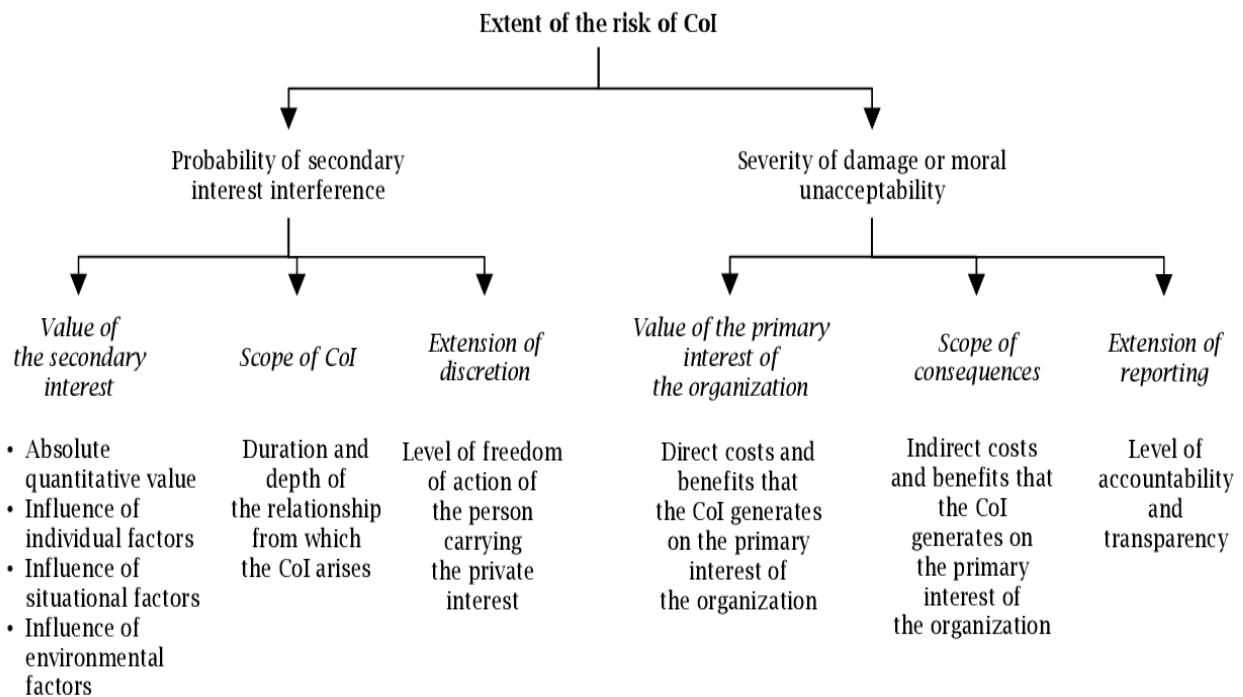


procurement. Odhiambo and Kamau (2003) suggested that the most corrupt practices in the public sector procurement embroil an interplay between public officers, usually subjected to the influence of powerful politicians and capitalists, solely inviting favored firms, supporting certain organisations at the shortlisting stage, planning tender reports to support specific firms and discharging private data.

According to (TI,2021), a number of governors and county officials have been implicated in embezzlement, misappropriation and mismanagement of public resources. In 2020, local community members protested against Siaya county officials for allegedly misappropriating funds for a water project. They accused the county government officials and the office of the Sidindi ward member of the county assembly of colluding with contractors to loot public funds after submitting counterfeit documents claiming completion of the project in contrast to the actual reality on the ground. In 2020, the governor of Busia County in Western Kenya and three other officials faced charges of conspiracy to defraud the government and abuse of office related to a solid waste management system in Busia. It was alleged that the governor and officials conspired to defraud the county government of KSh8 million by concluding an agreement for a feasibility study on solid waste management with a company that had not yet been established. A patron-driven political system favors the top leadership, resulting in the selective allocation of tenders, jeopardizing meritocracy and competence. In support of this, the World Bank (2015) believes that systematic favoritism in contracting is likely to discourage companies with weak political ties from entering markets, thus creating long-term consequences for economic development. Consequently, partisan politics intrudes on the expert management of the procurement process in general and the tendering process in particular. According to Ranta (2017), patronage networks at local level in Kenya are inseparably tied to ethnicity and the ability of the elected official to access to resources. In 2016, the National Cohesion and Integration Commission revealed that tribalism, nepotism and corruption still influenced public recruitment in county public service despite existing legal provisions. Only 13 county assemblies (27.6%) had recruited at least 30% of their employees from the non-dominant ethnic group, while 34 county assemblies had employed more than 70% from one dominant ethnic group in the county or have recruited entirely from one ethnic group (National Cohesion and Integration Commission 2016).

### **Conflict of Interest and Procurement Ethics**

The role of the Evaluation Committee(EC) in public procurement process is to objectively evaluate bids/proposals and to identify and recommend the most advantageous bid/proposal. A conflict of interest arises where an EC member has some other interest that could materially interfere with their duty to act impartially in the evaluation process. That is why each EC member has an obligation to disclose any conflict of interest before participating in the evaluation,(WorldBank,2020). The procurement process is affected by conflicts of interest in different areas, for instance, allocation of budget, procurement planning, specification formulation, evaluation of tenders and contract administration. Conflicts of interest manifest themselves differently throughout the world, but their effects on organizations are nearly identical, (Pilly, 2017; Masoud,2022). (Mazibuko,2017), portends that there is a link between corruption and conflict of interest. He postulates that a “conflict of interest” involves a conflict between the public duty and private interests of a public official, in which the public official has private-capacity interests which could improperly influence the performance of their official duties and responsibilities.” A conflict of interest can be current, or it may be found to have existed at some time in the past. Contract Awards can be made due to bad governance, manifested by lack of transparency, weak accountability and lack of integrity by public officials entrusted with procurement by violating regulations and procedures with impunity.



*Source: Author's elaboration*

**Figure 6: Assessing conflict of interest in organizations.**

**Source: (Di Carlo, 2021).**

(Mawenya 2008; Tutu, Kofi, Nyako, Ameyaw., & Ampofo 2014) asserts that corruption takes place when client officials entrusted with procurement collude with suppliers and contractors and break the law in pursuit of personal interests. Wanyama, (2013) established that the public procurement unethical behaviors manifest in terms of direct conflict of interests. He established that conflict of interest is the cause of unethical issues in public procurement. A study by (Menga & Gikara, 2020), on the influence of procurement ethics on procurement performance in state corporations in Kenya, recommended that fairness and impartiality should be demonstrated in the procurement process thus leading to improved quality of goods procured. A study by (Khasoane, 2019), *Corruption and Patronage in post-colonial Sub-Saharan Africa: An Afrocentric ethical critique*, asserts that even though political patronage is deemed an essential instrument used by political parties to enjoy optimal control over the public policy when it is mainstreamed into an environment that lacks robust systems, it leads to discriminatory practices mirrored in a strong sense of entitlement by political patrons and their clients. The political elites employ political patronage to place their allies into key positions of governments' institutions without following the competency-based logic. They also indulged in explicitly corrupt activities as means of amassing wealth for themselves. It is from their entitlement claim to rule that they do not accommodate any form of opposition to political power. This practice has positioned them to be political monopolists, with absolute powers on their state resources, institutions and opportunities.

According to a study by OECD, *Preventing Corruption in Public Procurement*, the direct costs of corruption include loss of public funds through misallocations or higher expenses and lower quality of goods, services and works because those paying the bribes seek to recover their money by inflating prices, billing for work not performed, failing to meet contract standards, reducing quality of work or using inferior materials, in case of public procurement of works. This results in exaggerated costs and a decrease in quality. In America, as Rendon & Rendon (2016) demonstrate, a conflict of interest occurred among procurement practitioners when the Air Force engineer in charge of technical evaluation gave a favorable evaluation to a proposal submitted by his own company, which violated the procurement function's policy. As depicted, Bangladesh's legislative and administrative reforms have not prioritized the code of conduct, ethics, and issues of conflict of interest.

As a result, corruption has become one of the primary challenges influencing public procurement in the country. A conflict of interest affects, or can be perceived to affect, a person's independence, objectivity or impartiality. It occurs when an individual is subject to two coexisting interests that are in direct conflict with each other. For example, a person may derive some form of personal benefit or advantage or avoid a personal disadvantage if a decision made in their official capacity has a particular outcome. In participating on an EC each member is required to put their service to the Borrower ahead of any personal interests,(WorlBanl,2020). According to (Kimani,2017), EACC's reports consistently indicate that over 70 percent (by value) of corrupt practices in Kenya occur in the public procurement sector. Other statistics compiled by the Mars Group -a civil society organization- on corruption in the public procuring entities between show that the Country loses an estimated Kshs.700billion (£5bn) through flaws in public procurement annually. According to (TI,2021;Bertelsmann Stiftung 2020), Political parties usually serve the interests of strongmen, established around ethnic loyalties and patronage instead of platforms or principles It is alleged that several political actors in county executives, legislatures and assemblies usually belong to same ethnic group as the president, and are given such important positions that allow them to veto the set -up of or effective operations of the county.

## CONCLUSIONS AND RECOMMENDATIONS

At the heart of grand corruption in Kenya is a series of financial arrangements that together make up a system of security-related procurement, procurement of commercial debt, and financing of the political system. For example, at the beginning of 2004, the government had granted a contract worth about \$41 million to an entity that did not exist. The Kenyan anticorruption authority proceeded to investigate the case. Suddenly, about \$1.3 million that had been paid out as a "commitment fee" by the Kenyan government, was returned. Corruption thrives in Africa, chiefly because the legal system is porous and openly manipulated, insufficient for monitoring and punishing offenders who constitute the ruling-elite class. Elites in African countries lack a commitment to the fight against corruption. This is demonstrated by their flagrant abuse of court processes and open manipulation of the legal systems,(Aliyu *et al*,2020). According to (Bonga,2021), Unethical practices such as Neopatrimonialism has the capacity of diverting public resources to serve private interests rather than enlightened interests. Resource distribution in neo patrimonial systems is always motivated by the patron's incentive to ensure incumbency. Neopatrimonialism is directly linked to corruption and damage the long-term culture of democracy. Soest ,2021 asserts that the connection between patron and client is inherently unequal; therefore, described this relationship as a 'hegemonial exchange'. As analyses of neopatrimonialism's economic effects abound, the following representation has to be selective. The main thrust of neopatrimonialism arguments is that office holders extract rents for their own personal benefit and for sustaining the support of their clients. (Harnois et al,2023), warns that the consequences of corruption are detrimental to the progress of any society. The endemic nature of corruption, in the case of Nigeria for instance, from "top-to-bottom," has negatively affected this country's development. To change that situation, the leadership must commit to fight corruption from the top down, strengthen corruption control mechanisms, and see to it that offenders are punished. Moreover, the citizenry needs to be mobilized to demand transparency and accountability.

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