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US-Africa Relations: A Case Study of US-Kenyan Economic Diplomacy

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Abstract: Challenging the predominant tendency of political economy scholars and practitioners to rationalize the evolution towards unprecedented US-African bilateral Free Trade Agreements almost exclusively through the lens of US interests and global geoeconomic rivalries—and rarely from the perspective of deliberate and calculated intentions of African countries—this article establishes that the progressive recalibration of the US-Kenya economic diplomacy between 2001-2020 has been shaped in equal measure by two separate but complementary mechanisms. The first is a systemic mechanism that arises from the US neorealist balance-of-threat responses to the global geoeconomic realignment. The second is a reductionist agential mechanism from the Kenyan side that is exhibited through the constructivist-reimagining by the State of its identity within its regional structures, as well as a series of interventions by high profile state-based actors and an influential Kenyan business sector. The article exposes vital but unheralded factors that impact asymmetric US-Africa economic diplomacy and challenges the ostensible notion that Kenya and other African states are merely 'acted-upon' peripheral actors in the ongoing global trade policy reformulation.

Keywords: African agency; Kenya; US-Africa relations; economic diplomacy

Introduction

In his statement at the first forum of the African Growth and Opportunity Act (AGOA) in October 2001, President George W. Bush summed up the prevailing sentiment of United States-Africa economic relations at the time by declaring that the US was seeking to do what was

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'right' and responsible in extending AGOA duty-free preferences to African states.[1] Conceived in the year 2000 with the intent to spur development in Africa through trade, AGOA has since become the cornerstone framework of US-Africa trade relations. The ensuing years since AGOA was formed have been characterized by a spectacular and unprecedented geoeconomic realignment—precipitated primarily by the rise of China.[2] In response to the geoeconomic shifts and the accompanying resurfacing of great power economic rivalries, the US (and other traditional western economic powers) embarked on a phase of progressive reconfigurations of their 'economic diplomacy' strategies, including AGOA.[3]

AGOA remains in place up to 2025 courtesy of a series of renewals and extensions. However, its most recent iteration, launched in 2015, concretized the US desire to shift away from the original non-reciprocal preferential arrangement towards stand-alone commercially-responsive reciprocal Free Trade Agreements (FTAs) with African States.[4] In 2018, it was announced that Kenya had emerged as one of the African countries willing to commence discussions with the US over a potential FTA.[5] Subsequently, the US-Kenya FTA negotiations were launched in 2020. Perhaps due to an initial framing of the Trump Administration's 'Africa Policy' as a counter-response to China's growing influence in Africa, prominent trade policy experts have persistently construed the US-Kenya FTA talks from the viewpoint of the US-China competition and rarely from the standpoint of conscious and deliberate intention by Kenya.[6] Among other similarly-inclined viewpoints, trade experts and commentators have argued that the FTA talks were, but a 'symbolic manoeuvre' by the US, targeted only at nullifying the growing influence of China in Africa, and that the FTA talks should be regarded merely as "an important geopolitical tool" for the US.[7]

These systemic conceptualisations leave us with several unresolved enigmas. First, which specific changes in the US-Africa and US-Kenya economic and trade relations are empirically attributable to the US responses to the rise of China and the global geoeconomic transformation? What is the correlation between the changing US-Kenya trade policy regimes and the global geoeconomic realignment? Additionally, the systemic account remains silent on Kenya's role and contributions to the evolving relations. It does not tell us, for instance, why and how Kenya emerges as the first and only African country to agree to the US overtures. The system-based account ignores the complex navigation of commitments and responsibilities that Kenya—as a member of the East African Community (EAC) and the African Continental Free Trade Area (AfCFTA)—needed to surmount in order to commence the FTA discussions. Indeed, Kenya's decision has been criticised for undermining the very ideals of regional integration that its Foreign Policy claims to uphold.[8]

This study sought to resolve these enigmas by adopting two guiding hypotheses. First, we assume that global economic and trade relations to a large degree could be modelled along the neorealist assumptions of state-centrism and anarchy characterised by self-interest and asymmetric distribution of power. Second, we assumed that the economic rise of China and the ensuing global geoeconomic realignment is conceptualised mainly as a threat to the interests of the traditional powers. The study thereafter utilised a combination of neorealist and African agency constructs to present a well-rounded assessment of the implications of the geoeconomic realignment on the US-Kenya economic diplomacy that accounted for both the systemic influences as well as the reductionist influences of the lesser power in shaping the outcomes of the bilateral economic relations.

By employing the African agency framework to a novel problem and new sets of structuring contexts (i.e. the rapidly evolving US-Kenya economic diplomacy), the study complements prior work on African Agency and showcases the adeptness of the African agency framework (as a complement to systemic perspectives) in generating a more complete and accurate understanding of modern asymmetric trade relations.[9]

Contextualizing the Global Geoeconomic Realignment 2001-2020

Most political and economic observers acknowledge that the first two decades of the new millennium were marked by a distinctive realignment of global economic power and influence, spurred predominantly by the economic rise of China. A glance at Africa's import statistics over the past two decades provides further confirmation of the shift of global trade eastwards. According to the ITC, in 2001 China accounted for approximately 3.82 percent of total African imports, while India accounted for 1.84 percent. By 2019, imports from China and India accounted for almost 24 percent of total African imports.[10] In contrast, the collective share of total African imports attributable to France, the US, and the UK between 2001-2019 dropped from 17.72 percent to 12.80 percent. This direction of change remains evident from a single country perspective. In 2001, Kenya imported goods worth US$ 4.0 billion, with 13.1 percent originating from the United States; 9.3 percent from the UK; 4.3 percent from India; and 2.4 percent from China. In 2019, Kenya imported goods worth US$ 17.22 billion, of which China and India (collectively) accounted for approximately 30.7 percent; the U.S. for 3.4 percent; and the U.K. for 1.9 percent.[11]

These developments—coupled with the upward trajectory of Chinese FDI stock in Africa and the impact of initiatives such as 'Belt and Road'—display pertinent aspects of the redistribution of global 'economic capabilities' between 2001-2020 in favour of a rising China. This new operating environment had an equally transformative effect on the articulation of export-oriented economic diplomacy strategies of developing countries.

Kenya's Economic Diplomacy Framework

The Kenya Foreign Policy 2014 document specifies economic diplomacy as one of the five key interlinked pillars underpinning the country's foreign policy.[12] Using Woolcock and Bayne's definition, we filter the list of economic diplomacy objectives in the Kenya Foreign Policy 2014 document to two specific aims, i.e. promotion of market access to traditional [and non-traditional] destinations; and "promotion of fair and equitable bilateral, regional and multilateral trade agreements."[13] The resultant (Kenyan) export-oriented economic diplomacy has been pursued through several bilateral, regional, and multilateral preferential trade agreements. These include the regional pacts within the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the newly ratified AfCFTA, and extraregional pacts such as AGOA, the ACP-EU Economic Partnership Agreement (EPA) and several bilateral trade agreements.[14] These frameworks have facilitated a significant expansion of Kenya's exports over the last two decades.

The evolution of Kenya's bilateral trade with the United States presents one of the more remarkable developments over the last two decades. In 2001, Kenya's exports to the US accounted for only 2.7 percent of its total exports, but by 2019 the US had risen to become Kenya's second most significant single-country export destination—accounting for 8.7 percent of its total exports.[15] Despite China's exponential rise as a source market for imports, a corresponding increase in Kenya's exports to China within the same period did not materialise. China accounted for only 0.2 percent of Kenya's exports in 2001 and increased only marginally to account for 2.5 percent of Kenya's total exports in 2019.[16]

In recent times, however, a makeover of the above-stated trade policy regimes has been taking place. The EU has effectively replaced the non-reciprocal preferential regime of the Cotonou Agreement with new reciprocal EPAs, and similarly, since 2018 the United States has been pursuing the early stages of a bilateral FTA approach.[17] Kenya's response to these developments has been noteworthy. Kenya elected to break away from the collective regional trade negotiations structure to sign a single-country interim EPA with the European Union in October 2016 and also adopted a stand-alone approach to negotiations with the United States.[18]

On the one hand, Kenya has repeatedly asserted that the "strengthening of regional economic communities and organisations" is a valued and central component of its overall economic diplomacy and sought to present itself as a champion for intra-Africa trade and integration.[19] On the other hand, by routinely breaking away from the collective regional negotiation structures, Kenya has opened itself to criticism of side-lining the regional and continental integration agenda.[20] This study provides insights into the origins and sources of this paradox.

As the literature shows, an economic-realist theoretical framework, built upon neorealism premises, can illuminate the systemic influences that shape changes in global economic and trade relations.[21] Additionally, agency-based studies affirm the applicability of the constructivism-based agency framework in delving beyond the systemic context to investigate the roles and influences of diverse actors in determining the direction of relations between states.[22]

The Changing Nature of US Economic Policy Posture towards Kenya

AGOA was formally introduced by the Trade and Development Act of 2000.[23] Over the last two decades, the program established itself as the cornerstone US trade policy toward Africa.[24] In essence, AGOA is among several unilateral, non-reciprocal preferential trade programs administered by the United States.[25] President George W. Bush's statement at the first AGOA Forum in Washington, DC in October 2001 encapsulated the original liberal-idealist objectives of the program. According to President Bush, the enactment of AGOA had offered the US and Africa an opportunity to "rethink and reinvigorate their relations, in light of a common enemy, a common goal of expanding commerce and culture, and a renewed commitment to democracy."[26] To comprehend the tone of President Bush's statement, it is vital to recall that the AGOA forum was taking place in the immediate aftermath of 9/11, before the commencement of the WTO Doha Round, and before the accession of China to the WTO.

As an economic diplomacy tool, AGOA has undergone several radical transformations from its original ideological construct, with the most notable changes encapsulated in the 2015

Trade Preferences Extension Act (TPEA). The TPEA is also notable for its contribution to the activation of the US-Africa bilateral FTA approach. The 2015 act explicitly mandated the United States Trade Representative (USTR) to report to Congress on the "potential, viability, progress and plans" for negotiating and concluding an FTA with a "willing" African country.[27] Accordingly, the United States Trade Representative began to implore sub-Saharan countries to envision and begin preparing for "more stable, permanent and mutually beneficial" post-AGOA economic arrangements with the US, outlining that the US-Africa economic relationship required to "adapt and evolve alongside the growth and economic trajectories" of the sub-Saharan Africa countries.[28] The USTR argued that African countries had hitherto shown willingness to negotiate and sign advanced agreements with other developed states, as evidenced by the EU-Africa Economic Partnership Agreements (EPA)—and therefore, the conclusion of modern bilateral trade agreements was necessary to prevent US merchants from being placed at a disadvantage. Pertinently, the USTR highlighted preliminary interest from Kenya and Mauritius to explore the possibility of FTA negotiations with the US.[29]

While AGOA may have served its more latent purposes, China's economic emergence introduced a significant challenge to US commercial objectives. Additionally, the EU, through the signing of EPAs, and China, through the establishment of several bilateral trade pacts, had showcased more adept ways of negotiating freer market access into Africa. China's ascendancy also emerged in the arena of development financing—with Chinese FDI stock in Africa increasing steadily and, from 2014 onwards, exceeding those from the US.[30] The US response was a radical reconfiguration of its development finance institutions and 'special purpose vehicles' that underpin its economic engagements with Africa, resulting in Prosper Africa and the new U.S. International Development Finance Corporation.[31]

In December 2018, during the unveiling of the Trump Administration's new Africa policy, Ambassador John Bolton (then US National Security Advisor) argued that the US would require a new tactical approach to respond to aggressive tactics by China and Russia on the African continent that were meant to "obtain a competitive advantage over the US and impede the economic independence of African States."[32] According to Bolton, China's "predatory" initiatives in Africa, including the Belt and Road Initiative (BRI), were characterised by bribery, obscure deals, and debt-trap diplomacy and were meant to make African states genuflect to Beijing. By mobilising and harmonising the resources and capabilities of sixteen pre-existing government bureaus, the US launched Prosper Africa with the intent to: double US-Africa trade; demonstrate to Africa "the superior value proposition of transparent markets and private enterprise"; and support US firms in Africa to compete with those from other powers.[33]

In addition to Prosper Africa, the Trump Administration—via the BUILD Act of October 2018—launched the USDFC via an amalgamation of the Overseas Private Investment Corporation (OPIC) and the Development Credit Authority (DCA) arm of USAID.[34] The new USDFC, fashioned as a direct response to China's BRI, aimed to add significantly strengthened capabilities to the US economic diplomacy armor kit. The new institution would, among other capabilities, be equipped to: offer direct loans and guarantees of up to US$ 500 million for twenty years; have an enhanced financial 'exposure cap' of US$ 60 billion (OPIC was capped at US$ 29 billion); and would possess the ability to provide political risk insurance of up to US$ 500 million to private institutions and preapproved sovereign entities.[35] It is clear, therefore, from both rhetoric and action that the US had intentionally repurposed and reconfigured its economic diplomacy institutions to respond to the challenges of the new geoeconomic environment. Through Prosper Africa and the new USDFC, the US aimed to counter the influence of China's Development Finance Institutions (DFIs) and equip its private sector with the capacity to compete with Chinese commercial entities for projects in Africa.[36]

The US government formally launched Prosper Africa in June 2019. All Africa-based US embassies formed a Prosper Africa 'deal team' that was tasked with (a) aiding US firms to access deals in Africa, (b) assisting African firms seeking opportunities in the US, and (c) facilitating the utilisation of the new US financial packages.[37] After a delay, the USDFC was also launched in December 2019.[38] Following the 2018 statement of intention by the USTR on its disposition to commence discussions towards a potential FTA with a "willing" sub-Saharan Africa country, and after a series of high-level bilateral deliberations, the US and Kenya formally announced the commencement of bilateral FTA negotiations on 8 July 2020. Kenya thereby became the first AGOA beneficiary to enter into trade negotiations with the US outside the confines of the African regional or continental structures.[39]

Agency-Based Explanations for Evolution of US-Kenya Economic Diplomacy

The Influences of 'Kenyan State Agency'

Kenya's regional trade agreements are evidenty critical to its export-oriented economic diplomacy. Kenya has also staked a prominent profile as one of the main benefactors of the continental integration agenda—not only by being among the first countries to ratify the AfCFTA but also by using senior government personalities (including its Presidency and Foreign Minister) to encourage other African states to adopt and ratify the AfCFTA pact.[40] Its decision to seemingly abandon the pre-existing African 'collective negotiation' stance and enter into a single-country bilateral trade negotiation with the US might thereby appear paradoxical. To unpack Kenya's decisions, we look first at the historical experiences and other factors that shape its 'state-agency' within its regional and continental structuring contexts.

The present iteration of the EAC (the initial post-independence regional structures having collapsed in 1977) commenced operations in the year 2000 with ambitious aspirations of solidarity and socio-economic integration.[41] The integration process progressed through the years to Common Market status, and the current EAC is often cited as a prime example of successful African integration.[42] However, despite this profile, different state-specific subjectivities have constrained its cohesiveness. These limitations are perhaps best exposed by looking at the EAC-EU EPA negotiations. A WTO stipulation issued in 2001 obliged the EU to engage EAC member states (and other ACP states) in negotiations towards WTO-compatible trade pacts.[43] The EAC-EU negotiations were completed in 2014, but only Kenya has ratified the agreement to date.[44] Given Kenya's status as the only non-LDC (Least Developed Countries) within the EAC, concluding the pact was of paramount importance to its export sector interests.[45] As a result of the ensuing stalemate, Kenya's exports to the EU have remained anchored on special arrangements, and Kenya has, resultantly, been advocating for the instigation of a variable geometry formula to regulate future trade negotiations with external parties.[46]

The theme of an increasingly at-odds EAC with divergent interests is further emphasized by the fact that Kenya's neighbors are guaranteed unreserved market access in developed western markets on a duty-free and quota-free basis (due to their categorizations as LDCs) and hence have no motivation to negotiate and conclude binding agreements to safeguard market access. However, without binding legal commitments, Kenya would stand to lose its preferential market access to Europe and the US, with potential far-reaching implications on its economy. Indeed, some scholars have interpreted the hesitancy by some of the EAC members to ratify the EPA as arising from intra-regional competition and rivalry.[47] The experiences and outcomes of the EAC-EU EPA negotiations thereby appear to have undermined the region's solidarity and strained the regulatory framework governing the EAC's collective trade negotiations approach. Trade experts have hence attributed Kenya's decision to adopt a single-country approach in its negotiations with the US (among other unilateral tangents) to these experiences.[48]

The AfCFTA is perhaps too nascent a project to explore in indepth and detail. However, it serves as a viable lens to explore Kenya's continentwide trade posture. The quickness at which the AfCFTA negotiations were concluded (less than three years) has been lauded as a sign of the continent's keenness to surmount the historical hurdles that have previously constrained intra-Africa trade liberalization.[49] However, analogous to the EAC, inequalities between member states remain a challenge. US-Africa trade figures expose these disparities. It is well documented that at the end of AGOA IV, before renewal in 2015, most of Africa's trade with the US comprised energy sector products, mainly crude oil.[50] Non-oil exports were dominated by very few countries—with South Africa accounting for over 70 percent of all non-oil exports and the remainder being mainly attributable to Kenya and other apparel sector exporters (Lesotho, Mauritius, and Swaziland).[51] It is evident that whilst Kenya and a few other African countries are highly reliant on AGOA preferences, most African states are not similarly dependent on AGOA. To illustrate the point, Kenya incurred import duties amounting to US$ 7.9 million in the pre-AGOA year of 2000 (for exports totalling US$ 109 million) but paid only US$ 0.4 million in import duties in 2018 (for exports worth US$ 646 million).[52] The Kenyan state's unilateral approach to trade negotiations with the US can thus be attributed to a constructivist-reimagining of its identity upon the pragmatic evaluation of prior experiences with collective-negotiations within the EAC context, the relative importance of the US market to its economy, and an acknowledgement of different levels of economic development within the EAC and the African continent.

Leaders' Agency

The years 2001-2020 include the presidencies of Daniel Arap Moi (1978-2002); Mwai Kibaki (2002-2012); and Uhuru Kenyatta (2013-present). This study primarily focused on the agential interventions of President Kenyatta in shaping US-Kenya economic relations. Prominent scholarship on Kenyan foreign policy argues that Mwai Kibaki's legacy was secured mainly by his achievements in reviving Kenya's economy, the promulgation of a new constitution, and the inauguration of massive China-funded infrastructure projects (despite the distortion of post-election violence in 2007/2008).[53] Uhuru Kenyatta thereby inherited a new public expectation that 'successful' presidential tenures ought to include a visible and measurable legacy—a notion that has shaped the spirit of his presidential tenure.

An additional inheritance from the Kibaki era that played a predominant role in shaping Uhuru Kenyatta's early years was the 'ICC-factor.' In December 2010, Uhuru Kenyatta and his future running mate (alongside four others) had been indicted by the International Criminal Court on charges relating to the 2007/2008 post-election violence in Kenya.[54] Primarily due to this, scholars note that Uhuru Kenyatta's presidency commenced within the context of a frosty relationship with the West.[55]

Scholars have further noted that this tense start precipitated the launch of Kenya's "most assertive Foreign Policy in decades" predicated upon an inward-looking nationalism, prioritisation for regionalism, embrace of the Kibaki era "pivot eastwards," and a pan-African orientation aimed at countering a hostile west (i.e. responding to the ICC factor).[56] The ICC ultimately withdrew the charges against Uhuru Kenyatta in 2014, and in 2015 the case against his deputy president was dropped.[57] With the ICC factor resolved, traditional Western states adopted a warmer approach towards Kenya. Equally, and contrary to the "assertive" stance identified and predicted in the afore-stated scholarship, Uhuru Kenyatta adopted a reconciliatory and welcoming posture to the West—while still maintaining and seeking to advance relations with China and other emerging economies. These eventual outcomes align with the interpretations of contrarian scholarship arguing that Kenya's deep founded "historical, political, and military-strategic ties with her old friends" in the West were too entrenched to allow them to "part for good."[58]

Kenyatta's second term began in 2017 with a different outlook. The ICC factor was behind him; relations with both the East and the West were balanced and cordial; and pertinently, the US had elected a new unconventional president in Donald Trump who was doing away with liberal interventionist policies of preceding administrations which some scholars had faulted for the West's poor relations with Africa's ruling elite.[59] Kenyatta—inspired by the Kibaki legacy—was also beginning his final term with a keenness to establish a defining personal legacy, leading to the announcement of his ambitious 'Big Four' economic and social transformation agenda during the initial public address of his new term.[60]

It is within this backdrop that Uhuru Kenyatta approached the shifting US economic and trade policy posture toward Africa and the related overtures for a willing African partner to engage in a model US-Africa FTA negotiation. Ultimately, Kenya's decision to explore the possibility of a US-Kenya FTA pact (in 2018) and the decision to enter into negotiations (in 2020) were both announced during Uhuru Kenyatta's visits to the White House.[61] US trade practitioners identify the political commitment shown by both Kenyatta and Trump, as well as their rapport, as "paramount" factors in driving the FTA negotiation agenda and allude to the fact that Uhuru Kenyatta is the only African President to have received two invitations to the White House during the Trump presidency.[62]

The impact of President Kenyatta's direct involvement in shaping the evolving US-Kenya economic diplomacy is clearly evident. The early urgency that was implicit in the dialogue arguably arose from the political uncertainties facing the former US President Donald Trump and the imminent conclusion of Uhuru Kenyatta's final term—providing additional proof of President Kenyatta's agential consequence in shaping the US-Kenya trade relations.

Non-State Agency: The Influence of the Kenyan Business Sector

In addition to the State and influential political personalities, it would be additionally instructive to explore the agencies exerted by non-state actors—in particular, the influences of the Kenyan business sector—in shaping Kenya's economic diplomacy. The Kibaki presidency (2002-2013) oversaw an economic recovery from previous years of neglect and by 2013 the first indications of an African power-elite—in the form of a new "indigenous capitalist class"—had begun to emerge and influence Kenya's domestic and external policies.[63] It has been argued that this new capitalist power elite was behind the "resurgence" of economic nationalism, regionalism, and otherwise "assertive" foreign policy posture adopted by the Kenyatta government towards Western powers.[64]

In more recent times, Kenya's business sector has predominantly been welcoming of the direction of change in the evolving US-Kenya trade relations.[65] In responding to the US-Kenya FTA talks, the domestic business sector elected to form a Collaborative Working Group to galvanize business sector input and support the Government's efforts in the US-Kenya FTA negotiation process.[66] The collaborative posture (and lack of contestation) is notable for providing the State with the needed "space for manoeuvrability" to proceed with its new economic diplomacy towards the United States.

As noted by Brown, African non-state actors also exert agency by their simple presence as political constituencies of the State and its leaders.[67] In this instance, the desire to protect the local textiles and apparels sector (including the related foreign investments and employment) from undue exposure explains Kenya's response to the out-of-cycle review that the USTR initiated against the EAC in March 2017—whereby Kenya decided to negotiate its prompt exclusion from the process by unilaterally denouncing the collective EAC position.[68] Notably, the out-of-cycle review process was first applied against South Africa in July 2015, leading to a series of strained and prolonged negotiations that concluded after almost two years.[69] Given South Africa's relatively advanced manufacturing industry (compared to Kenya), and their experiences with the out-of-cycle review, we can deduce that a US-South Africa FTA negotiation would be complex and challenging to navigate. Indeed, a previous attempt to negotiate a US-SACU (South African Customs Union) Free Trade Agreement was suspended prematurely (2003-2006) upon encountering difficulties.[70] The fact that Kenya has been able (thus far) to proceed with the new trade talks with minimal contestation from its business sector is thus a significant factor in unpacking the enabling agencies of its business sector.

Among the justifications provided for the business sector's collaborative approach is the potential threat of Chinese competition within Kenya's region. Scholars have argued that China's trade model has the potential to transition into a scenario where China becomes Kenya's direct competitor within the EAC, consequently shrinking Kenya's industrial base and leading to erosion of its position as the EAC's dominant economy.[71] Such contemplations would explain the business sector's embrace of the balancing effects of the new US-Kenya Economic Diplomacy. From the preceding assessment, it is evident how these Kenyan actors (the State, influential political leaders, and the business sector)—through their intention, subjectivity, and position-place characteristics—shaped and influenced Kenya's manoeuvres from a collective US-Africa posture (in 2001) to the current stand-alone posture typified by the willingness to enter into unilateral US-Kenya bilateral FTA negotiations.

Interpreting African Agency in US-Kenya Economic Diplomacy

Unilateralism Arising from a New State-Identity

This study established that the State-Agency that empowers Kenya's recent unilateral posture arises from a process of relational pragmatics, entailing Kenya's simultaneous constructive reflections on its historical experiences of collective negotiation within the EAC; its expectations regarding the future of such collective approaches; and its assessment of current constraints.[72] The failure of the EAC-EU EPA negotiations, coupled with Kenya's acknowledgement of its unique (and higher) levels of exposure and dependence on Western export markets, precipitated a process of constructivist self-assessment leading to the emergence of a new identity whereby Kenya begun to increasingly view itself as separate and dissimilar to the other EAC members. This new identity formed the basis of Kenya's newfound state agency. The evidence further revealed that the same constraints that impede the EAC's 'solidarity project' (i.e. inherent economic inequalities) are present at the African continental level. Reflecting upon its collective negotiation experiences within the EAC thereby shaped Kenya's low expectations about the outcomes of any potential continent-wide approaches to trade negotiations within the new AfCFTA structure. The intention of this state-agency is to ensure that Kenya continues to enjoy preferential access to the US (and other vital Western markets). The outcome of the agency is Kenya's bolder, assertive, calculating, and pragmatic economic diplomacy posture towards its regional and continental partners—evidenced by its decision to enter into bilateral FTA talks with the US.

The Impetus of Uhuru Kenyatta's Image Building and Legacy Agenda

Uhuru Kenyatta's presidency has proven to be particularly consequential in shaping the evolution of Kenya's economic diplomacy towards the US. This study traced the origins of this agency to historical inheritances from the term of his predecessor, Mwai Kibaki (2002-2013) which established a normative expectation amongst the Kenyan public that presidential tenures ought to be marked by tangible and visible evidence of development. These historical inheritances also left Uhuru Kenyatta with the profiling constraint of ICC cases. Reflecting on the implications of intentionality and historical inheritance on agency, the study deduced thereby that Uhuru Kenyatta's state-based agency (in US-Kenya economic diplomacy) appears to arise from a) a desire to reinforce and affirm his image as an internationally accepted president, far removed from the ICC factor that characterised the initial years of his presidency, and b) the pursuit of a presidential legacy agenda that aims to count the US-Kenya FTA as one of its main achievements (while also using it to promote investment projects related to his administration's domestic economic agenda).

The 'Creative Agency' of a Collaborative Business Sector

It is essential to highlight here that the Brown framework intentionally avoids being restricted to actions that oppose the norm and instead views African agency as both transformative, as well as creative and productive of the structure.[73] This feature becomes relevant to unpacking the agencies of Kenya's business sector. Exploring their intentionality, subjectivity, and roles in shaping the evolution of the US-Kenya economic diplomacy, we deduce that Kenya's business community exhibits a non-state agency that is both formed and transmitted through two mechanisms. The first mechanism is their position-place presence as political constituencies that domestic politics and bureaucracy must address—which compels the State to make interventions to advance their interests (such as initiating FTA talks to secure export markets). The second is through the subjectivity showcased in choosing a collaborative approach to the US-Kenya FTA negotiations and reluctance (thus far) to contest the process—which provides the manoeuvrability and impetus to the State to proceed with its chosen economic diplomacy approach.

The implications of these agencies are more evident when contrasted against the experiences of other African countries—such as South Africa—where demands by the local industrial sector ensure that talks with the US are often lengthy and complicated. The profile of Kenya's business sector is thereby, arguably, better suited to allow an FTA negotiation to proceed with minimal disruption (perhaps because, unlike South Africa, Kenya and the US would not be competing within the same sectors). The study also concurred with previous scholarship that argues the business sector's collaborative approach was additionally influenced by collective concerns regarding China's possible emergence as a competitor within Kenya's regional markets. Such apprehensions by local African industries regarding China's commercial expansionism in Africa are not unique to Kenya. Nick-Pay and Nwosu highlight the challenges precipitated by a 'Chinese takeover' of the Nigerian textile sector through the supply of cheaper materials from China that led to the closure of sixty-five Nigerian textile mills and the loss of over 150,000 related jobs.[74] The study deduced thereby that the lack of contestation by the Kenyan business sector to the new direction of US-Kenya economic diplomacy was informed by perceptions of the talks as an opportunity to 'balance' against the looming threat from Chinese competition.

Conclusion

At the outset of this article, we sought to establish how the economic rise of China and the ensuing global geoeconomic realignment between 2001-2020 had influenced US economic and trade policies toward Kenya. We established and provided empirical evidence showing how the geoeconomic forces had compelled the US into a series of neorealist balance-of-threat responses—exhibited through 'arming' of its economic diplomacy by the creation of Prosper Africa and the USDFC, as well as a progressive recalibration of AGOA from its liberal-idealist origins towards more transactional and business-responsive approaches. The study linked AGOA's transformation—and the move towards bilateral FTAs—to neorealist imitation by the US of the successful tactics employed by its peers and rivals (the EU and China). We argue that these factors provide significant, albeit inconclusive, explanation of how and why the US transitioned from a posture of offering non-reciprocal preferential trade treatment to Kenya (and other African countries) in 2001 to the new stance of nudging African countries towards reciprocal FTA negotiations by 2020.

Beyond the systemic translation, the study further sought to uncover the roles and impact of domestic actors in shaping Kenya's economic diplomacy toward the US. Through an African agency framework, we established that Kenya's economic diplomacy toward the US, between 2001-2020 had been shaped primarily by an emergent state agency arising from a process of constructivist self-assessment and reconceptualization of the Kenyan State's identity as distinct and unique relative to its regional neighbors (and thereby best served by unilateral rather than collective approaches). In addition, the evolution of US-Kenya economic diplomacy was found to have been shaped by the impactful state-based agency of President Uhuru Kenyatta which was underpinned by a gripping desire to reinforce and imprint a redefined personal image and secure an ambitious legacy agenda. Finally, the enabling non-state agency of the Kenyan business sector was scrutinised both as political constituencies of the State and through their adopted collaborative approach to Kenya's new economic diplomacy towards the US. The facilitative posture of the business community was found to be motivated by, among other factors, a desire to balance against the looming competition by Chinese companies within Kenya's regional markets.

These complementary forces (systemic and unit-level agential forces) were found to account for the transition of US-Kenya economic diplomacy from the development-oriented aid-for-trade posture at the commencement of the AGOA program in 2001 to the current US-Kenya FTA talks. The findings challenge and disavow dominant interpretations that view the new US-Kenya FTA talks solely from the perspective of US interests and the Sino-American rivalry—and show that African actors play significant roles in shaping contemporary international trade outcomes.

Approaching the question of US-Kenya economic diplomacy from an African agency lens allowed the study to grapple with, and extrapolate, the impact of African participation in the international political settings. Interpreting the evolving US-Kenya trade relations through the African agency schematic allowed us to extract nuances which would not be possible through a wholly systemic framework focusing predominantly on US-China rivalry. However, the African agency framework is not without its fair share of criticism. Proponents acknowledge that the framework may be accused of ignoring critical analytical factors.[75] In addition, by presenting and analysing Kenya's agency from an anthropomorphist state-as-actor standpoint, the model suppresses the possible bureaucratic agencies of high and middle-ranking civil servants. This invariably opens an opportunity for future studies on how specific bureaucrats and other unit-level actors shape African economic diplomacies within the regional and continental structuring contexts.

The findings of this study, perhaps inadvertently, also question the notion of a collective African approach to trade negotiations. The evidence reveals that African countries have found it increasingly difficult to approach trade negotiations with more developed external partners as a collective with the failed EAC-EU EPAs being a case in point. Evaluating some of the historical missteps in EU-Africa trade relations, some scholars have argued for a reconceptualization of the EU-Africa relationship as a "strategic alliance" as opposed to a "partnership of equals" in order to account for the inherent asymmetry between the two continents.[76] This study similarly contends that intra-EAC and intra-African trade relations would equally benefit from such pragmatic and realistic logic. In presenting these findings, we hope to guide the reader towards an understanding that African actors are not peripheral and 'acted upon' but instead play significant roles in determining the eventual outcomes of their bilateral discussions with the old and emerging great power(s).

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Notes

[1] Bush 2001.

[2] Borrowing from Luttwak (1990), the study uses the term 'geoeconomics' to signify the relative geographical disbursement and distribution of ' economic power' in international relations. The concept of 'global geoeconomic realignment' is used to denote the relative redistribution of global economic power from the West towards new emerging powers in the East; which has intensified between 2001-2019

[3] Blinder 2019; Wang 2019; Shan 2019; Blakeley 2019. This study adopts the Woolcock and Bayne (2013) technical definition of the term *Economic Diplomacy* to refer, exclusively, to aspects of foreign relations concerned with negotiation and establishment of the frameworks and modalities for conducting international trade and investment.

[4] USTR 2016.

[5] USTR 2018b.

[6] Bolton 2018.

[7] Ogutu 2020; Swanson 2020.

[8] Anami 2020.

[9] Brown 2012.

[10] ITC 2020.

[11] ITC 2020.

[12] MFA 2014.

[13] Woolcock & Bayne 2013.

[14] SDT 2018.

[15] In contrast, the UK's relative share in the composition of Kenya's exports dropped from 15.8% in 2001 to 6.7% in 2019. ITC 2020.

[16] ITC 2020.

[17] Garcia 2013; Sanders 2015; USTR 2018a; USTR 2020c.

[18] SDT 2017; USTR 2020a.

[19] MFA 2014.

[20] Kituyi 2020; Caporal et al. 2020.

[21] Zimmermann 2007; Garcia 2013.

[22] Brown 2012; Soulé 2020.

[23] US Congress 2000.

[24] Williams 2020.

[25] U.S. Preferential Trade Programmes include 'AGOA, the Caribbean Basin Initiative (CBI)/Caribbean Basin Trade Partnership Agreement (CBTPA), and the US Generalized System of Preferences (GSP)' (USTR.GOV); The GATT 1979 *'Enabling Clause'*, also known as the *'Decision on Differential and More Favourable Treatment, Reciprocity and Fuller Participation of Developing Countries'*, allows developed countries, such as the USA, to offer preferential treatment to products from developing countries without violating the WTO's MFN obligations (WTO.ORG); Williams 2015.

[26] Williams 2015.
[27] US Congress 2015.
[28] USTR 2016.
[29] USTR 2016.
[30] SAIS-CARI 2020.
[31] USDFC.
[32] Bolton 2018.
[33] Cook & Williams 2019.
[34] Akhtar & Lawson 2019.
[35] Akhtar & Lawson 2019.
[36] China's main Development Finance Institutions (DFIs) include; the China Development Bank (CDB), the New Development Bank (NDB), and the Asian Infrastructure Investment Bank (AIIB).
[37] Cook & Williams 2019.
[38] Akhtar & Brown 2020.
[39] USTR 2020a.
[40] MFA 2018.
[41] The East African Community (EAC) comprises six countries i.e. Kenya, Tanzania and Uganda (founding states, 1977 and 1999), as well as Rwanda and Burundi (joined 2009) and the Republic of South Sudan (joined 2016). Mbaya 2019.
[42] Ravenhill 1979; Braude 2008.
[43] The WTO issued a waiver granting the EU permission to continue offering its *noncompatible* 'Lomé preferences' to ACP countries up to 2008, but necessitated the commencement of negotiations to conclude WTO-compatible reciprocal pacts (ECDPM.ORG).
[44] Pichon 2018.
[45] Not being a Least Developing Country (LDC) Implying that, unlike other EAC members, Kenya does not have recourse to the EBA initiative that guarantees continued duty-free access to the EU in the absence of an EPA. Pichon (2018) notes that, without the EPA, Kenya's exports to the EU risked incurring duties of up to US$100 million per annum.
[46] A *variable-geometry* formula would, in effect, allow EAC members to negotiate unilateral trade agreements with third parties based upon their respective levels of development. Anyanzwa 2019.
[47] Tanzania, in particular, has been accused of aiming to gain a competitive advantage over Kenya in the export of similar product into the EU (Krapohl & Van Huut 2020, p. 572).
[48] Ogutu 2020.
[49] Gathii 2019.
[50] Williams 2015. The U.S. imposes relatively low tariffs on oil i.e. US$ 0.05-0.10 per barrel. It is therefore arguable that much of the AGOA energy sector trading would occur regardless of AGOA preferences.
[51] Williams 2015.
[52] TRALAC 2019.

[53] Mbaya 2019.
[54] Kagwanja 2014.
[55] In the lead-up to the 2013 presidential elections, the then US Assistant Secretary of State for Africa, Ambassador Johnnie Carson, infamously 'forewarned' Kenyans that *'choices have consequences'* in an attempt to nudge them from voting for Kenyatta and his running-mate, given that both were facing ICC trials over the 2007 post-election crisis (Mbaya 2019).
[56] Kagwanja 2014; Mabera 2016.
[57] Mbaya 2019.
[58] Nzau 2016, p. 159.
[59] Kagwanja 2014.
[60] Kenyatta 2017.
[61] USTR 2020b.
[62] Schneidman & Dawson 2020.
[63] Kagwanja 2014.
[64] Kagwanja 2014.
[65] Okello 2020; Karuga 2020.
[66] Karuga 2020; CCA 2020.
[67] Brown 2012.
[68] Foreign investment stock in Kenya's EPZ worth was valued at US$ 160 million in 2015. 41,597 Kenyans were employed in Kenyan textiles and apparels EPZ in the year 2015. MOT, 2018; USTR 2017.
[69] USTR 2015.
[70] Lehloenya 2009.
[71] Makinda 2020.
[72] Emirbayer & Mische 1998, p. 1012.
[73] Brown 2012.
[74] Nick Pay & Nwosu 2020.
[75] Including Brown 2012.
[76] Jones 2020.