Degree of Master's of International Studies

(International Area Studies)

Crime Rates and the Fiscal Autonomy in Kenya's County Governments (2013-2019)

August 2020

Graduate School of International Studies

Seoul National University

YEGON LEONARD KIPKOECH

Crime Rates and the Fiscal Autonomy in Kenya's County Governments (2013-2019)

A thesis presented

By

YEGON LEONARD KIPKOECH

A dissertation submitted in partial fulfillment
Of the requirements for the degree of
Master of International Studies

Graduate School of International Studies
Seoul National University
Seoul, Korea

ABSTRACT

Crime Rates and the Fiscal Autonomy in Kenya's County Governments (2013-2019)

Yegon Leonard KIPKOECH
Graduate School of International Studies
Seoul National University
International Area Studies Major

Following the promulgation of the Kenyan Constitution in 2010, a Devolutionary system of government was establishing 47 devolved units led by semi-independent governors from the central government of Kenya. For the County Governments to operate optimally in delivery of services in their areas of Jurisdiction and local community, they are required to generate their Own Source Revenue (OSR) to supplement the equitable share from the National Government. Enhancement of Own Source Revenue in counties is core to meeting their financial obligation which is sanctioned by article 209 (3) of the constitution of Kenya. This will give counties a more degree of fiscal autonomy from the central government.

Reports from C.o.B, OSR from the 14 counties in Kenya fell below the level set by defunct local governments in 2013/2014 FY and also underscored the existence of variance of OSR among the 47 counties.

The theory of this research is given by the importance of the Kenyan devolved County Government Fiscal Autonomy in Kenya from the Central Government, taking into consideration its impact on the economic development of the local communities at different County Governments and the urge to deliver services to local community communities within their jurisdictions.

The research is set to assess the sources of variance of Counties Own Source Revenue (OSR) from the known sources to the unknown effect of Crime, a social phenomenon as a source of variance. The focus is the period since year 2013 to year 2019 when devolution came to effect among all the 47 county governments. Specific focus is on the economic and social cost of crime and objectives is to ascertain whether crime prevalence in different counties is a factor on Own Source Revenue (OSR) mobilization.

The nexus between crime rate prevalence and Fiscal Autonomy with reference to Counties Own Source Revenue (OSR) in Kenya is a field that is less explored as shown by little literature on this area of research.

This research will address the effects of crime prevalence on individual Kenyan Counties Own Source Revenue mobilization. Second, what are the other know sources of variance in Counties Own Source Revenue ,third, what triggered the country to adopt a devolved system of governance, and finally, what are the roles of County Governments with reference to control of crime.

My consideration is that this project will be able to identify the different degrees of fiscal autonomy among counties and possible causes of discrepancy of levels of fiscal autonomy with reference to OSR among them

The research Data were sourced from secondary data reports from Controller of budget Kenya (CoB) National police service (NPS), Commission of Revenue Allocation, Kenya (CRA)

The findings shows that crime prevalence in different Counties to a great extent have a negative effect on Own source Revenue (OSR) mobilization because of the negative effect of the Economic and Social cost of crime

This study proposes stronger cooperation of the two levels of governments in reducing crime prevalence in Kenya, since the more the prevalence of crime the lower the OSR hence causing fiscal stress among counties and over dependence on the central government leading to loss of Fiscal Autonomy. Proper crime prevention policy ought to be adopted and more security roles should be devolved since crime prevalence affect the counties operations.

Key Words: ***Devolution policy, County Governments, Fiscal Autonomy, Own Source Revenue, Crime rate.***

Student Number 2018-20208

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

ACRONYMS AND ABBREVIATIONS

AG	Auditor General
BROP	Budget Review and Outlook Paper
CARA	County Allocations Revenue Act
CBK	Central Bank of Kenya
C.o.B	Controller of Budget
C.E.C.M	County Executive Committee Member
CPA	County Policing Authority
CRA	Commission on Revenue Allocation
DANIDA	Danish International Development Agency
IED	Improvised Explosive Devices
GDP	Gross Domestic Product
GCP	Gross County Product
KNBS	Kenya National Bureau of Statistics
KNCHR	Kenya National Commission on Human Rights
KSH	Kenya shillings
MMNR	Maasai Mara National Reserve
MTP3	Third Medium Term Plan
MCA	Members of County Assembly
MDA	Ministries, Departments and Agencies
NGAO	National Government Administration Office
NCRC	National Crime and Research Centre
NPS	National Police Service
OSR	Own Source Revenue
PA	Provincial Administration
SRIC	Security Research and Information Centre

CHAPTER ONE: GENERAL INTRODUCTION

1.0 Introduction

Devolution is one form of decentralization involving a power transmission of fiscal and administrative functions from the central Government to the devolved Government.(Nyanjom, 2011). Devolution in Kenya is a considerably new terminology hardly six years old that become very popularly used across the country after the promulgation of 2010 constitution. It created 47 County Governments headed by Governors which became operational after 2013 elections. The mandate of the Counties is drawn from the County Government Act (CoK, 2010). The debate about devolution in Kenya attracted stakeholders from all organizations including Civil society, politicians clergy etc.

Devolution is committed to giving the local communities the power, responsibility and resources to service, build infrastructure and protect their interests through formulation and implementation of local policies". (Kivuva). "Devolution promotes civil society participation in the development plan, providing options of political representation through a democratic political culture and promoting a sense of ownership by the community". (Kaseya&Kihonge)

For counties to operate optimally they are financed by three channels. One is the equitable share received from the Central Government and distributed by the National Assembly between the central government and the devolved units. The money originates

from the deduction of national income tax at national level and amounts to the which is the forms the largest form of funding to the devolved units in Kenya and should not be less than 15% of the total National Income according to the Kenyan Constitution, the distribution formula developed by the CRA for fair distribution among 47 devolved unit. (CRA, 2012)

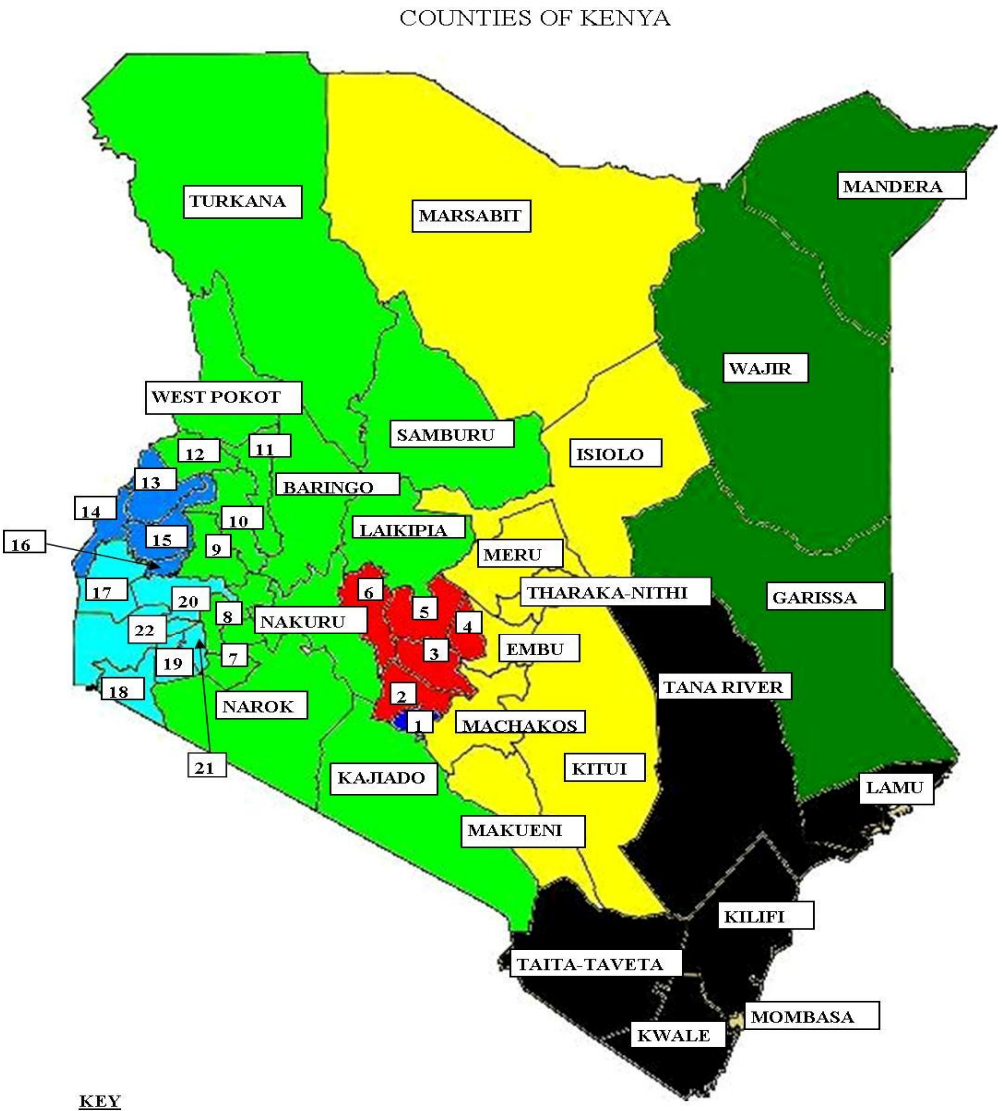
Second is Counties Own Source Revenue (OSR). Article 209 (3) of the Kenyan constitution authorizes the Devolved units to introduce taxes and fees as OSR for the Devolved government. These are property taxes and entertainment taxes and also may charge a fee for the services it provides under applicable law.

"Other types of tax imposable by devolved units include land rates, business licenses, parking fees, building permits advertisement billboards. All this are regulated by the Finance act". (C.o.B, 2018)

The county governments can receive conditional grants and donor funding's to reinforce on the National share and OSR. The donations are conditional when the central government imposes restrictions expenditure by the devolved units and vice versa.

Counties are sanctioned to utilize the finds for a specific budget projects and can't use them for other purposes. E.g. For support for a Level 5 hospital, the counties cannot transfer funds for other purposes outside the hospital project.

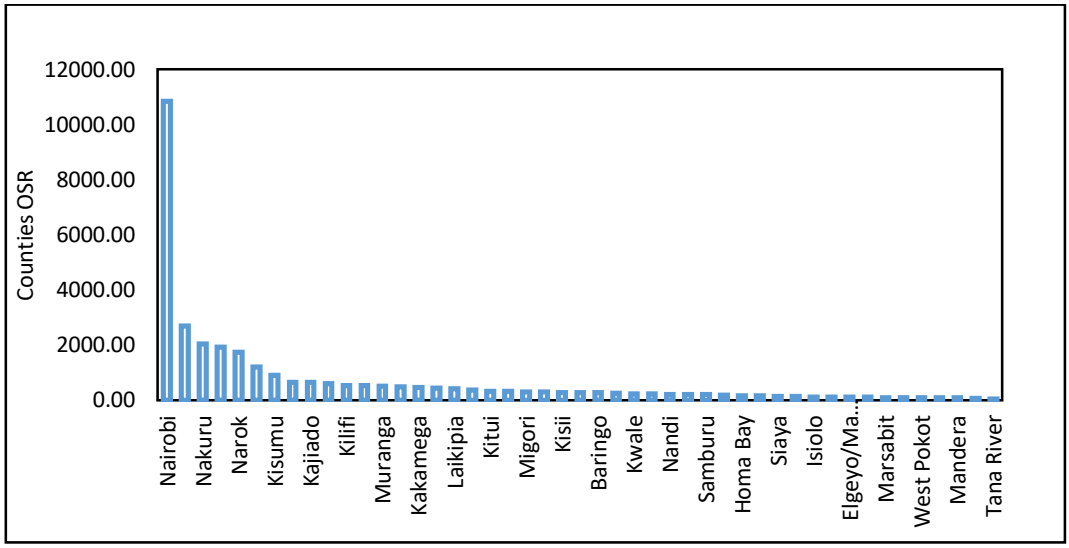
Figure 1 1: Map of Kenya showing the Kenyan Counties



Donor funds are in form of loans and grants which can be conditional or unconditional. Some of this development partners include, United States Agency for International Development (USAID),Denmark's development cooperation (DANIDA) and United Kingdom's Department for International Development (DFID) among others donors. The donors can send the money directly to the counties or through national government ministries, departments and agencies (MDAs). In the latter case, the MDAs manage the grants but disburse the money to county governments to implement the grants.

From the Controller of Budget (CoB) reports it is empirical that there exists a variance on the Own Source Revenue (OSR) among different counties hence different degree of autonomy of different counties.

Figure 1 2: Average OSR (2013-2018)



Source: Controller of Budget

The figures availed above on Own Source Revenue (OSR) shows Nairobi, Kiambu, Narok, Nakuru Machakos and Mombasa. Counties were able to generate significant local income .Others make very little impression, despite estimating significant OSR in their budgets.(Controller of Budget, 2014) Among the know sources of the above variance are Percentage Urbanization, different revenue administrative approaches, resource endowment variance.

Social Phenomenon that exists in the society are not captured in the literature. Crime has both social and economic cost that disadvantages productivity and resource mobilization. Hence relooking at the economic cost of crime with respect to Counties own source revenue is desirable.

Criminal offenses are crimes that are considered or excluded as punishable by law. This goes beyond the personal aspects of the public domain, which violate established rules and laws of the land hence requiring the intervention of the public law enforcers (Glasgow). From the sociological perspective, crime has broader social and economic implication in the society which are undesirable. Crime generate eternal undesirable costs to individuals and Nations (Chalfin.A, 2013). With prevalence of crime will necessitate defensive expenditure which is the budget allocated by individuals and businesses on crime detection and prevention burglar alarms, CCTV etc. The consequence of crime could be stolen property or damage, physical and emotional harm to a victim hence the fall in victims welfare, lost output in the sense that productivity of

time of work is lost (Heeks, Reed, Tafsiri, & Prince, 2018). Social and economic cost of crime leads to loss of quality of life for victims and economic growth. Businesses can have short run and Long run consequences from the prevalence of crime since their profits are diverted to crime prevention measures and otherwise discourage investments that would improve productivity. In addition, areas that rely on tourism as a source of livelihood are also affected with tourists being discouraged in the area since safety comes first. (Nations, 2007)

1.1 Problem statement

The study focused on analyzing the effects of crime on fiscal autonomy of Counties. How crime prevalence will affect the Own Source Revenue of the Kenyan Counties. It also intends to look at how the cost of crime affects counties both economically and socially. In addition, the research is intended to highlight the other sources of variance in Counties Own Source Revenue.

To respond to crime prevalence in Kenya more resources have been diverted to curb insecurity. Kenya is one of the top countries in the region that has allocated a huge security budget to the threat of Al-Shabaab and increasingly sophisticated criminals (Oluoch, 2016)

A substantial increase in crime prevalence was recorded in 2015 alone by 3114 crimes which was higher than 2014. “These crimes were of the nature of terrorism,

proliferation of small arms and light weapons, organized crimes, drug and substance abuse, community boundary disputes, and ethnic rivalry"(NPS, 2015)

In response to the increase crime, state and non-state actors have instituted several measures to curb crime. Some of these include: increased police patrols, regular roadblocks, setting up of vibrant anti- terrorist police units, active search and recovery of fire arms, establishment of community policing projects, provision of police information centers sensitization of the citizens on ownership of their security with campaigns dabbed "Security begins with you "conducted by the NPS.

In addition the National Crime and Research Centre (NCRC) have conducted numerous research on the economic incentive of organized crimes in Kenya and its implication on the country. (NCRC, 2012)

Given the importance of County Governments in delivering development and service within their areas of jurisdiction, and also their contribution to GDP of Kenya the government ought to adopt workable solutions to increasing crime. Similar research on effects of crime have been conducted by Security Research and Information Centre (SRIC) Nairobi (SRIC, 2016). All this researches have not been able to link directly crime prevalence to variance in Counties Own Source Revenue (OSR) among different counties which is key component on Counties Fiscal Autonomy from the National Government. The research left gaps that linked variance of Counties Own Source revenue (OSR) to crime prevalence, which this study tries to address.

The questions generated are:

1. What are the Social Economic effects of crime on Counties Own Source Revenue?
2. What are the known sources of variance in counties own source revenues(OSR)
3. What necessitated the adoption of devolution in Kenya

The study thus tries to correlate the variance of Counties Own Source Revenue (OSR)

1.2 Study Objective

To provide answers to the above questions this study pursued the following research objectives.

1.2.1 General Objective

a) To assess the devolution making process in Kenya

b) To examine and sources of variance Counties Own Source Revenue (OSR).

1.2.2 Specific Objectives.

a) To examine social and economic costs of crime on Counties Own Source Revenue (OSR)

b) To establish if the different Revenue administration strategies among counties leads to variance of Counties Own Source Revenue (OSR)

c) To find out the effect of the percentage of Urbanization in Counties on Own Source Revenue

d) Analyze the motivation for the adoption of Devolved system of governance in Kenya

1.3 The study setting and justification

The research was conducted considering all the 47 County Governments of Kenya through their documentations. Each County government is required to generate their Own Source Revenue as stipulated in Article 209 (3) of the constitution of Kenya 2010.

The motivation of this study is from two aspects. Academic and policy purpose. From the academic perspective the purpose of the study is intended to fill the gaps existing in the research on the sources of variance in OSR in Kenyan counties with reference of the effects of crime rates in individual counties influence on fiscal autonomy of Counties. It's about demonstration of how prevalence of crime distorts the ability of County Governments to enhance OSR because of the Economic and social costs it crime rates prevalence comes with. Their already exists research about the implication of crime by NPS 2012, 2014, 2015, 2016, SRIC 2016, NCRC 2012 among other non-statutory researchers .However none of this studies endeavored to link variance of OSR to crime prevalence. The studies from the above research focused only on its nature, prevalence, and incentive for criminality.

On the policy aspect the study intends to analyze the implication of crime rate prevalence on OSR and suggest policy recommendation to that effect. The motivation is from the

C.o.B emphasizes to the county treasuries to develop and implement strategies to enhance OSR collection,(C.o.B, 2018),for the sustainability of individual county budgets.

As an incentive the commission of revenue allocation (CRA) rewards the Counties that shows tremendous growth in own revenue sources. Commission of revenue allocation (CRA) third basis for sharing the framework has been proposed in particular among devolved units. One of the goals is to improve OSR performance and improve the management of financial resources.(CRA, 2012)

County Governors have had difficult time with the National Government on several issues pertaining equitable share of revenue. The county chiefs have pointed out that the National Treasury has continuously not responded swiftly on the Commission of Revenue Allocation's recommendations on the income sharing between the levels of government. Also the Governors have had difficult time discharging their mandate because of delays of disbarment of their equitable share. (Rizack & James, 2019)

Thus the OSR enhancement and mobilization comes at center stage in fiscal autonomy of counties from national government hence recommendation to curb undesirable social phenomenon that can slow down OSR mobilization.

CHAPTER TWO: DEVOLUTION IN KENYA

2.0 Devolved Governance in Kenya

The 2010 Constitution of Kenya is a turning point in country's history as it reconfigured balance of power by devolving power and responsibilities away from the national government. It also recalibrated the powers between executive, legislative and judicial branches. The Constitution of Kenya 2010 marked a critical juncture in the Nation's History, upon which promulgation and enactment redesigned the Governance structure from a centralized unit to devolved sub-units known as the County Governments.

Devolution policy is one form of decentralization that involves the transfer of power, fiscal and administrative responsibilities from Central Government to the County Government.(Nyanjom, 2011). Devolution is the statutory delegation of powers from the central government of a sovereign state to govern at a subnational level, such as a regional or local level. It is a form of administrative decentralization. Devolved territories have the power to make legislation relevant to the area and thus granting them a higher level of autonomy

It involve transfer of power and resources from the national governments to county governments so that they can make independent decisions on matters concerning their uniqueness and diversity in addressing their local needs (Onyango.P, 2013)

The objective of devolution under articles 174 and 175 (CoK, 2010) seeks to supports democracy transparency and social accountability for those in authorities, recognizes diversity and promotes national unity; Protect and promote the interests and rights of minorities and marginalized communities, recognize the right of communities to manage their affairs and promote their development; Promote social and economic development and the provision of proximate, easily accessible services throughout Kenya and Ensure equitable sharing of national and local resources throughout Kenya, Facilitate the decentralization of State organs, their functions and services, from the capital of Kenya; and Enhance checks and balances and the separation of powers. .Article 175 provides that County governments shall be based on democratic principles and the separation of powers; County governments shall have reliable sources of revenue to enable them to govern and deliver services effectively; and No more than two-thirds of the members of representative bodies in each county government shall be of the same gender.

The County Governments have two arm, the executive for which the Governor is the overall Chief executive officer of the whole County government and legislative arm, the County Assembly with the speaker as the head.

The first five years (2013-2018) under the new devolved system of governance have witnessed progressive democratization and expansion of political space especially for the historically marginalized communities in Kenya. The 2nd election in 2017 brought 25 new Governors including three female Governors for the first time in country's

history. Some counties have demonstrable unique strengths and resources that offer a potentially useful peer to peer learning and self-reliance

2.1 Structure of devolution in Kenya

County governments consists of a legislative assembly, known as County Assembly and an executive arm. The county assembly is headed by a speaker with a composition of a members elected by voters from each ward, a number of special seats nominated by political parties to ensure that no more than two-thirds of the assembly comprises one gender, members of marginalized groups including people with disabilities and youth, nominated by political parties

The county executive arm is headed by Governor with a Deputy Governor and County Executive Committee Members appointed by the Governor with the approval of the assembly ".Both government are distinct with clear responsibilities and cannot be controlled by the other . It's worth noting that article 189 of the Constitution reiterates the need for the two levels of government to respect each other's functions"(Ronald.H, 2014).Both governments are sanctioned to consult and cooperate with each as they deliver their tasks and powers to in accordance with the Kenyan Constitution.

2.2 Path to Devolution

The babel for a new era of policy and governance that is entrenched in the constitution can be traced way back to three decades since some years after independence. One of

the key factors was the dissatisfaction with the highly centralized model of governance, associated with imbalance in resource allocation resulting in ethno-regional development inequalities, marginalization of some communities and failure to involve the people in governance.

"The successive regimes after independence fostered marginalization to areas that were perceived not to favor the systems of Governance at the time. This regimes were characterized by bureaucratic inefficiencies, unaccountability and transparency, skewed distribution of national resources and minimal community and public participation in development within their locality, amongst others. As a result their independent political position was victimized, championed by few political elites and punished by resource marginalization, repression and exclusion based on ethnicity and political affiliation, suffering slow economic growth and development characterized by poor infrastructure across those marginalized regions for more than three decades. Initially after years of independence in 1963 the local governments that were put in place by then to foster regional development issues and challenges still embraced a highly centralized governance system hence failing on its ,mandate". (Khaunya.F.M, Wawire.P.B, & Chepng'eno.V, 2015)The people therefore yearned for a more equitable distribution of national resources and an end to development inequalities between regions of the country, fueled largely by ethnicity (Wanyande & Mboya)

However the above challenges the idea was adopted which was also catalyzed by the democratization ripples at the late 1980s and saw agitation quest for hence the repeal of

section 2A of the Kenyan Constitution in 1992, which restored Kenya back to a de jure multiparty state. Further in the run of 1997 and 2002 elections, more reforms were witnessed. In 2008 violence broke out in Kenya after the general elections beacause of disputed presidential election. The reason behind is that citizens believed that direct control of state resources can guarantee a community economic development, hence the hotly contested Presidential elections.

After the intervention of the African Eminent Persons chaired by H.E Koffi Annan a political deal was brokered and set the stage for Reforms which outlined a clear blue print for constitutional reforms which was more inclusive system of governance and on 27 August 2010 the country promulgated a new constitution, the Constitution of Kenya 2010 (CoK, 2010) after almost a decade of unsuccessful reform attempts.

The debate about Majimbo/devolution did not have its own hurdles. During the Devolution development process by Constitution of Kenya Review Commission (CKRC) some misconceptions were given by some notable public figure. One cleric Cardinal Njue shared his alarming sentiments that adoption of devolution would divide the country across the tribal line, He interpreted the idea of devolution on fear of balkanization of the country, and this was among other shared views from the Anglican and Presbyterian churches. (Ghai, 2008).

Ghai also notes that notable political figure heads led by former president of Kenya, H.E Daniel Moi rejected the new system of devolution that was being developed on grounds that it would support ethnic origins and fostering land disputes. The nerve center is the

devolved system of government comprising the national Government and the 47 County governments that gave power to local Communities to decide on how they will be governed and how their resources will managed with the birth of County Governments.

Implementation of Devolution came into effect after 2013 general elections with the new devolved units led by Governors and president heading the central government

The major concerns of devolution was to limit and share already concentrated authority in the National government. Of interest was to find a suitable balance in governance and enhancing public participation in decision making, so that economic, political and social development can be addressed with a balanced allocation of resources and the promotion of equitable development across the country.

2.3 Financing of County Governments.

The County Government of Kenya source their revenues from: equitable share from the national government, local revenues collected and grants from donor agencies e.g. DANIDA, World Bank Etc. The revenue is allocated to each county to discharge the devolved functions within their areas of jurisdictions.

National income tax share to the devolved units in Kenya should not be less than 15% of the total National Income according to the Constitution of Kenya 2010, with its distribution based on a revenue formula developed by the CRA for fair distribution among 47 devolved unit (CRA, 2012). “Counties utilize the 2012 CRA formula parameters even though the formula was recently revised by the Senate in 2016”.

(Kinuthia.J & Lakin.J, 2016). The 2012 CRA formula with parameters and the weights assigned to each is shown below

Table 2 1 : The CRA Revenue sharing formula

Parameter	Weight
Population	45%
Basic equal share	25%
Poverty	20%
Land area	8%
Fiscal responsibility	2%
Total	100%

Source: Commission of Revenue Allocation

Article 219 of the Constitution of Kenya 2010 sanctions that "Transfer of equitable share county's share of revenue raised by the national government shall be transferred to the county without undue delay and without deduction, except when the transfer has been stopped under Article 225".

Second is Counties Own Source Revenue (OSR). Article 209 (3) of the Constitution of Kenya empowers the county governments to impose tax. County governments are allowed and expected to generate their own revenue by imposing certain taxes in their respective areas of jurisdiction, as provided for in the Constitution. (CoK, 2010)

The taxes a county may impose include property rates entertainment tax business licensing and any other tax that a county is authorized to impose by an act of Parliament.

Counties charge a fee for services rendered in accordance with certain laws. Some kinds OSR streams include fees, business licenses, parking fee, a license for construction and invoicing, as well as a fee for advertising with billboards.

All these sources of county government revenue in Kenya constitute the OSR. The county governments impose the rates and taxes through the Finance Act. (C.o.B, 2018)

The controller of budget always emphasizes the increase of local revenue to enhance the discharge of their mandate. The sustainability of County governments and devolution therefore depends on the capacity and ability of a county government to be fiscally sustainable with respect to OSR and to a large extent fiscally autonomous from Central Government. Different Counties Generate different levels of revenue depending on several factors and thus exists variance in their levels of autonomy of different counties (C.o.B, 2017)

The county governments can receive conditional grants and other forms of donor funding's in addition to the equitable share and OSR. The grants are conditional when the central government imposes restrictions expenditure by the devolved units and vice versa. Counties are sanctioned to utilize the finds for a specific budget projects and can't use them for other purposes. E.g. For support for a Level 5 hospital, the counties cannot transfer funds for other purposes outside the hospital project.

Donor funds are in form of loans and grants which can be conditional or unconditional. Some of this development partners include, United States Agency for International Development (USAID),Denmark's development cooperation (DANIDA) and United Kingdom's Department for International Development (DFID) among others donors. The donors can send the money directly to the counties or through national government ministries, departments and agencies (MDAs). In the latter case, the MDAs manage the grants but disburse the money to county governments to implement the grants.

2.4 Achievements and challenges of devolution policy in Kenya

The Kenyan New constitution 2010 introduced a new form of government, where the central government allocates some of its power and responsibilities to the 47 devolved administrative unit. Since the start of the 2013 general election, the new system of devolution were charged with of healthcare, elementary schools, small feeder roads and bridge and mobilization of OSR within their areas.

Initially in most counties, several challenges were experienced, which had a serious negative impact on service delivery to local communities.

Most Governors faced political and administrative differences with the Members of County Assembly their by the failure to pass the appropriation bills within the required window period making it nearly impossible for the county CEOs to discharge their mandates that they had captured in their manifestos.

However, it is important to take into account the achievement of the new system of devolution governance. The foremost influence was the opening of zones that were once marginalized in our country. Majority of the counties, especially in barren and semi-arid counties were opened up and linked to other counties thus reaping the fruits of devolution by actively participating positively in economic growth and trade. In counties such as Isiolo and Mandera, through devolved systems, they have been able to create airports that facilitate the movement of goods and services. This has enhance mobility in the areas with Mandera County recently launched its first bitumen road as a result of this form of decentralization.

In health care systems, counties have been able to turn previously neglected health care institutions into institutions dealing with various types of disorders. The partnership with the central government and other development partners allowed the counties to install medical devices that allowed people to undergo treatments like dialysis and chemotherapy in local hospitals, reducing over reliance on the National referral hospital-Kenyatta National Hospitals and Moi Teaching and Referral Hospital.

The devolved units should focus on how to deal with the problems facing doctors and other medical practitioners especially strikes and human resource in the health sector.

The counties have made significant progress in opening and modernizing rural areas by improving on bypass roads, enabling farmers to easily market their produce. They have established market places and improved their agricultural areas. The local economy has improved in most of these counties.

The adoption of devolution led to increase in workers working in the different units and they requires new amenities and resources in their areas such as land, housing and recreation.

It should be noted that the counties have affected Kenya's economy positively .Therefore, it is important that the current central system continues to support the development of counties as it has demonstrated through development cooperation. County officials should be pressured to make sure they are responsible and accountable for taxpayers' money. This is the first time such an administration has functioned. Over time, counties will find out how to increase revenue and spend more efficiently.

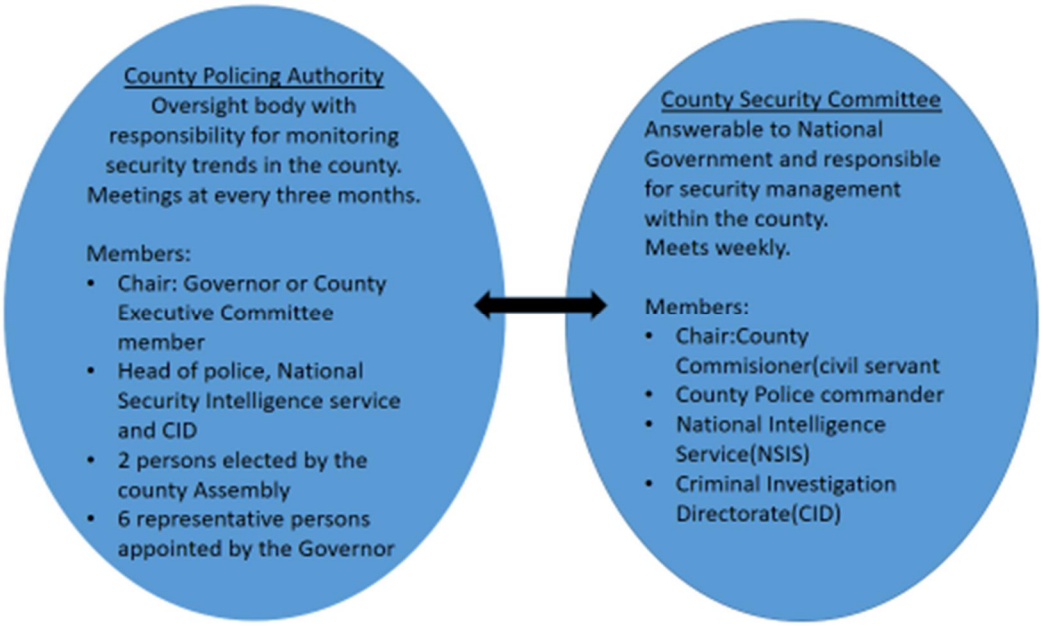
2.5 Role of County Governments in containing crime

The responsibility of security and law and order enforcement in Kenya lies squarely within the National Police Service I the national government. The National police service ensures that there is law and order in all the counties and their allegiance is the national government and not the County governors. Each county has County commanders from the NPS that coordinate security apparatus in the county governments. This does not allege that counties have absolutely nothing in matters security. The article 189(2) in the Kenyan Constitution sanctions that "Government at each level, and different governments at the county level, shall co-operate in the performance of functions and exercise of powers and, for that purpose, may set up joint committees and joint authorities" (CoK, 2010).

In as much as, the core mandate of the counties under the constitution is development, other responsibilities have a security bearing among counties. “The control and regulation of alcohol, drugs, pornography, transport, public pollution, traffic, traffic management, street lighting and health, all of which play a supporting role, have indirect but still significant safety implications and consequences”. (Mkutu.K, Marani.M, & Ruteere.M, 2014). The County Policing Authority (CPA) is a body established by the National Police Service Act to manage the security affairs and community policing within the counties in Kenya. The County Policing Authority by its nature is a community policing structure that allows the police and the community to work together in new ways to solve problems of crime, disorder and safety issues to improve the quality of life for everyone in that community with the integration of the officers from county government.(KNCHR, 2016). CPAs, which are created by the National Police Service Act, are part of the devolved local, community policing and establishes security links with the NPS. Chaired by the governors, CPAs mandate for assessing the security situation in their areas of jurisdiction, create security models, monitoring progress and achievements, promote community cohesiveness through public participation on security issues within their respective counties.

Decisions of the CPAs are also expected to feed into the County Security Committee (CSC) chaired by the County Commissioners, responsible for day to day management of security and deployment of police.

Figure 2 1 : The security structure in county governments



Source: Constitution of Kenya

The CPA mobilizes the input of different stake holders which include Members of County Assembly (MCA), security agencies and members of the society to address security concerns that are restricted to the county with an effort to provide local solutions to local problems through meaningful public participation and information sharing with an effort to strike a consensus on the who represent the public in the authority on security issues facing the counties.

In this security model of CPA the communities are empowered to own the security of their communities since they are better placed to identify their own security concerns and how to solve them hence affording them a platform be directly involved in the

planning and implementation of security issues. The public act as security monitoring agents for progress and achievements of the CPA. (KNCHR, 2016)

All this activities of CPA are under the overall leadership and command of the Inspector General of Police and that in their undertaking the CPA must respect and consult the constitution of Kenya and observe the rule of law. It's important to note that the CPA cannot at any given time duplicate, usurp or contradict the work and deliberations of the police .In discharging their mandate the CPA cannot in any manner whatsoever interfere with police investigations, law enforcement, or police recruitment but instead compliment to ensure the service delivery by the NPS is smooth and fast by providing critical information and evidence to the police.

CHAPTER THREE: LITERATURE REVIEW

3.0. Autonomy of County Governments

Autonomy is very central in a devolved system of governance. “County governments ought to have independence from central government influence. County Governments must not exist as an appendage of another Government but as autonomous entity with the ability to exercise its mandate in the conduct of its affairs free from the direction of another Government of Intuitional body”.(Fatile & Ejalonibu, 2015)

Several scholars have carried about varied research about Autonomy of decentralized system across the globe. “Unexpected shocks often face local governments. This shocks can range from extremely changes in environments (e.g. earthquakes, floods, fires) to changes in the fiscal structure of the jurisdiction (e.g. new state mandate, voter imposed tax cuts)”. (Chapman, 2003) . The local government’s ability to respond to these shocks reflects its degree of independence and therefore its ability to control. He carries out study on particular units of local government in a particular place (California counties) in attempts to respond to the shock of Proposition 13, a draconian tax cut measure passed in 1978. Chapman outlines some hypothesis to be explained by an empirical study of county budget changes since Proposition 13 was passed changes that reflects autonomy in its reactions of the Preposition passage. According to Chapman if devolution have local autonomy, empirical results should indicate: (1) counties are able to maintain a fair

level of per capita income and expenditure; (2) the patterns of income and expenditure change, reflecting the ability of counties to change tax stress and

He assessed Initiative –Maintaining activities that the California local government tried to get involved in supporting their autonomy. Two activities were implemented to adequately use land to deliberately generate income. California Focused on activities that generate multiple types of tax revenues (Big-box), tax increment-financed development activities, Introduction of development fees in some communities. Fees were imposed on a developer rather than the entire community.

Chapman concludes by asserting that Local independence affects an ability to provide community services. If the government's independence is weak, it will make it difficult for the government to cope with social, environmental, political and economic changes and constraints. It believes that when governments begin to take higher steps in managing revenue processes and outsourcing specific activities, reducing exemptions, and where local government budgetary activities are limited, their ability to take proactive actions decreases.

“Autonomy entails measures of self-rule, where constituent units contain elected governments that have meaningful measures of authority over local matters, in decision and execution. One means by which autonomy is developed is through devolution, or the transfer of power ‘downward’ to political authorities at intermediate or local levels”. (Agranoff, 2004). Agranoff tries to explore the concept of independence by applying the

"backward" principles of the process is to explore the role of government relations in the independence system.

For autonomy to work they must have an intergovernmental relationship. When it comes to devolution, the experience should be a strong interconnectivity between the two levels of government by closely working together through constant consultation and cooperation.

Agranoff asserts that the autonomy assessment begins by examining the role of established institutional structures, and in particular how they facilitate relations, ensures the unreasonable use of centralized control by units. Institutions such as legislatures and administrations stem from the fact that this is not a struggle for social power, but a series of standard operating procedures that define and protect interests.

He possess questions as to whether fiscal autonomy is protected by national forces for revenue growth and income distribution. This issue becomes the main test of the principle of autonomy. It turns out that all the rules of the supreme internal authority can be based on autonomy, with some exceptions, which have proved extremely difficult to apply. OSR is one description of independence (maintained by the power of the power- and income sharing. This issue becomes a key test of autonomy management). But that's not the case. The central authorities rarely cede the fiscal power to subnational authorities which forms the basis of most dispute in governments.

In Autonomy politics, Agranoff notes that Lower-level entities that are subject to shared management should maintain regular political channels with their central governments

in order to regularly address routine, critical and governance issues. This requires some energy from the sensitive political forces delegated to provide the proposed autonomy.

In his finds, he points out that fiscal autonomy looks tedious to achieve. The central government has the advantage in revenue. Therefore, intergovernmental relations occupy the position of autonomous intermediaries. Solving some of the major internal problems was solved with the help of a devolutionary autonomy force. Autonomy is also the order that changes the traditional order of the nation by reducing power. This means finding new ways of adapting regulations, policies and funding to the changing realities of local government. However, these processes become an essential determinant of accommodation; when given independence, it is based on relationships that reinforce or destroy meaningful laws, policies, and attitudes.

3.1 Fiscal autonomy

"Fiscal autonomy is a component of self-government. It is the ability of a Sub-National governments to create sustainable tax base to enhance OSR in their area of jurisdiction without external coercion as well as ensure that it provides its citizens with the services they demand. Subnational fiscal autonomy is a useful approximation to analyze the translation of global economic process into subnational politics within a federal polity".(Groll, 2016)

"Fiscal and administrative autonomy involves the expenditure side. The expenditure of the County Government involves both recurrent and development expenditure".(Chapman, 2003; Krisztina Kis-Katos Bambang, 2014)

According to (OECD, 2005) Financial Autonomy is a form of freedom that local governments can impose. That is the right to transfer or cancel a tax, set a tax, or withhold the tax from another company. Some of the fiscal autonomy indicators developed by OECD in their paper include the tax rate divided by the government to lower devolved units, the discretionary tax rate, the percentage of investment expenditure used counties, and the allowed allocation rate.

In some cases countries share the Tax with the sub-central governments which in the process my deny the Sub-Central governments autonomy at tax rates, but sub-central governments can discuss a segmented formula with the central government when sharing a variety of fiscal resources, hence authority over this resources enhance them to shape public service delivery. OECD notes that the tax sharing accounts for a huge section of a sub-national tax share most constitutionally federal countries. Bargaining power differs widely across countries, from structures where the central government allows Sub-national government's full control of their resources, to arrangements where the central government builds and changes one of the ways individually.

In addition autonomy varies with tax type. In addition the OECD report that the tax transfers to Sub-national Governments are meant to bridge the gap between OSR and expenditure needs.

3.2 Fiscal stress

Fiscal stress which is defined as the decrease in local revenue without compensation fall in the demand for local Government Services, when demand for local government services increases and local revenues without increase in revenue or when the National Government forces local Governments to increase services without providing a necessary funding for the increased service responsibility.(Chapman, 2003) However with greater fiscal autonomy Counties are able to overcome the fiscal stress and the challenges that comes with it. Fiscal crisis is a period of extreme government funding difficulty. The funding stress could result from a public debt increase, contingent liabilities that become fiscal cost, negative revenue shocks or unaddressed demographic related spending pressures. (Emanuele, Iva, Nazim, Gabriela, & Samah, 2011)

(ISUFAJ, 2014) in his article analyses fiscal decentralization of local government, specifically addressing the priorities, competences and responsibilities assigned to decentralized governments during this complex process. Local government is regarded as government closer to citizens, and for this the increasing of its competence, financial resources and an active community participation in decision making, will increase the responsibilities of power in Albanian Case.

Before the transition, a lack of political autonomy and high levels of social and economic responsibility characterized Local governments in Albania. State authority in the local administration was very strong, even though was allowed some moderated

administrative autonomy. Some local institutions such as municipalities, utilities had a funded budget and operated primarily by local tax revenues. They also had property and manage their natural resource.

In his findings he notes that fiscal decentralization in Albania is one of the most important reforms to democratize the country. This reform is aimed at a clearer division of functions and responsibilities of both levels of government, and in some way requires a degree of autonomy to local level. Autonomy brings responsibility, which means that the local government unit decides to carry the costs for citizens, and must take responsibility over the quality and quantity of the services offered. A gradual increase in autonomy of local fiscal revenue, the authority to perform (freedom of establishment) applying parallel to the fiscal transparency and vertical control mechanisms, delivers improved efficiency and accountability. Fiscal decentralization reform should be guided by the principle that "finance should follow responsibility "(WorldBank, 2014)

From the existing literature the scholars have brought out the importance of autonomy and the different aspects of autonomy. Striking out is the fiscal autonomy which the scholars have emphasized as being patient in execution of the mandate of subnational governments. Scanty research has been done about the sources of discrepancy of both fiscal and political autonomy especially in developing countries, thus opening a gap for research.

3.3 Variance of Own Source Revenue

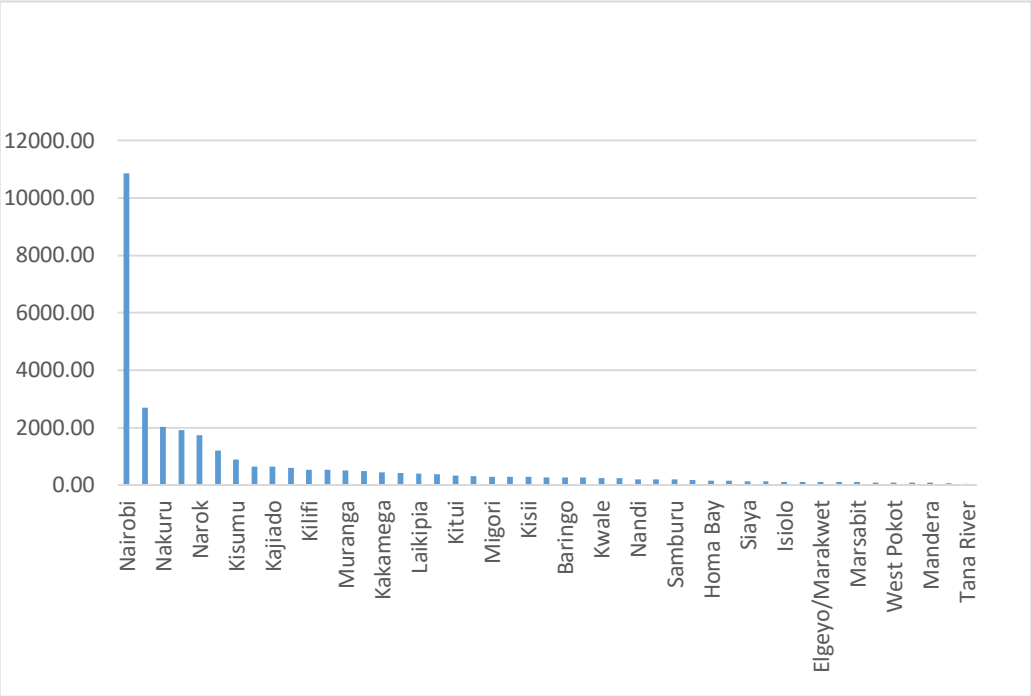
"Own-source revenue (OSR) is the revenue that County government or Sub-National Governments raises by collecting taxes and resource revenues or by generating business and other income to enhance their service delivery" (R.Taliercio).

The largest portion of Own Source Revenue for Kenya counties is costs for services or payments based on the consumption of goods and public services, such as waste collection, water management, licenses business permits, property rates, leases of government property etc. as prescribed in article 209 (3) of the constitution of Kenya

According to Controller of Budget, different counties have variance in OSR in all the 47 counties. Nairobi has always dominated with the highest OSR in the last financial years with approximately 10 billion Kenya shillings each years while Tana River has mostly been the least with an average of 30 million Kenya shilling.

This depict a huge variance of counties OSR. (C.o.B, 2018).In addition the (C.o.B) analysis showed that only a handful met their annual OSR projections.

Figure 3 2: Counties OSR (Average for 5 years)



Source: Controller of Budget, Kenya

3.4 Crime and Own Source Revenue (OSR)

Crime according to (Glasgow) defines it as crimes that transcend public and private spaces, in violation of laws and conservation laws, are subject to legal sanctions or penalties and require the intervention of cooperative organizations. "Crime have been proposed in the discipline of criminology in the past. "Crime is undesirable phenomenon, injurious to the society and is punishable by law." (Kramer C, 1985).

"Crime can amount to any act that contravenes the criminal law is referred to as crime. It can emerge from multiple dimensions with some traditional dimensions which

include legal, moral consequences, rule-relativism, political conflict, power and social harm". (Pepinsky, Henry, & Lanier, 2002)

Most people informally declare that crimes requires strong reproof from the community and require sanctions in contrast, formal procedural crimes are defined in criminal law under federal, state or local legal systems. A crime is an act or omission prohibited by law (or criminal law) in violation of the public interest. Although the actual victim of a crime is often a person, legally the victim is the community hence crime involves social harm and requires vindication through a public process. Victims can turn to the police and bring proceedings that can lead to criminal prosecution if testify in criminal proceedings without accusing the guilty party himself by taking law into his own arms which itself they amount to criminality. In this context the definition of what amounts crime is the Kenyan context are contained in the penal code (G.o.K, 2009)

3.5 Classification of Crimes.

3.5.1 International Classification of Crime

"International classification of crime is classification of criminal activities and social harm based on internationally agreed concepts, definitions and principles so as to ensure consistency and international comparability of crime statistics, and improve ability to analyze crime from both the and international and national levels which is geared towards standardization of concepts of what crime entails". (UNODC, 2015).Without legal harmonization of how crimes are classified difference on what amounts to an

offence will arise across nations. This according to United Nations Office on Drugs and Crime, crime amounts to be a criminal offense or a restriction of human behavior under national criminal law.

International classification of crime aims to apportion all criminal offences to on basis of agreed criterion. This criterion of classification can be drawn from different perspectives that is the impacts on victims, the way they have been perpetuated, the offender's intention, seriousness of the crime, etc.

3.5.2 Classification of crime in Kenya

The Legal classification of Crime according to Kenya police is that crime amounts to serious offenses and non-serious offenses. Serious crimes include murder, robbery, burglary, rape, kidnapping, and arson. "Non-serious crimes include petty theft valued at maximum value of 20 USD, assault, stealing a neighbor's domestic animal, drug offenses such as cocaine, heroin, and marijuana usage and city and state regulation violations. Criminal responsibility age in Kenya is 18 years old while 18 years and below of age are treated as juveniles". (Ebbe.O, 1993)

Kenya, like any other state, has its own crimes that riddle attempts to growth and progress. The Kenya police force gets reports of these crimes, ranging from minor to nerve wrecking incidents on a daily basis.

While developed worlds register crimes of the high end, such as armed robberies and drug cartels, Kenya struggle with her own kind of crimes.

A big percentage of Kenyans do not have access to arms. This means that when others plan and invade house armed with as little as one pistol (at times fake), the house owner's surrender and watch thieves leave with their belongings. For ages, people have had their houses broken into, during the day and at night, in their presence or absence. Poor investment in surveillance and security systems makes this kind of crime easy to occur.

Fraud is very common in Kenya. Once in a while, one hears cases of people who were tricked by fellow colleagues or neighbors into giving their hard earned cash with the promise of getting something in return. From creating jobs to promotions and such, Kenyans are known to fall easily into fraud crimes as they try to use shortcuts to get favors.

Armed robberies is one of the most common type of crimes that prevail in the urban centers. When guns land in the wrong hands, people suffer and pay for it. Cases of people who were mugged at gunpoint are a popular story to most Kenyans. Although it is not easy to acquire a license to own arms, thugs have their sources, including stealing or even worse, loaning guns from police officers.

As petty as pickpocketing can sounds, many Kenyans attest to have lost an item or two to pickpockets in crowded streets or public service vehicles. Many pickpockets have a sneaky way of observing where their potential targets put their valuables and it barely talks them a minute to strike and leave with their treasure. Most victims only realize their loss when it's too late

Embezzlement is one common practice by unethical public officers. It involves swindling of resources set aside for public activities and projects geared to promote development for personal interest by those in authority or their cronies. The most affected people in this bracket are usually politicians and other public office holders who are often evicted from office for inappropriate use of funds. The problem with this social ailment is that no one really seems to carry out the punishment for the offense.

Mob justice is one thing that Kenyans are known to carry out fast and without second thoughts. Beating up a suspect in public is not new in the streets. People are known to pounce on an alleged lawbreaker so fast that even the police can hardly save the situation. From stones to big sticks, Kenyans will beat up a thief or such to death within minutes, not caring if they are breaking a rule themselves by denying justice a chance.

Massive looting is associated with protesting in the streets. This activity always a gateway to looting where people just walk in numbers into businesses or homes and leave with belongings. Shops are major victims of this crime as the looting occurs mainly in the streets. Property worth millions is lost in this crime but not much is done to stop it.

Cattle rustling is a common phenomenon in pastoralist community's .There are communities in the country who believe in herding in large numbers. They believe that one wealth is measured by the size of one herd. This has made some feel the need to attack and raid neighboring communities and drive herds away in an attempt to grow the

size of theirs. The activity is common among these communities, with some getting grave at the point of rustlers or victims losing their lives.

Human trafficking is an activity or practice that involves movement of people illegally from one country or region to another, usually for forced labor or sexual violence. However, the crime occurs even inside Kenya where laborers, mostly children are moved from rural to urban areas in the promise of employment. Most of this victims always end up working under harsh conditions with no means to get back home.

Carjacking is Common in major towns that is the act of walking to someone car and ordering them out in an attempt to drive away with their car is not new in Kenya. Many people have lost their lives or bear bad scars from incidents when gun-wielding attackers order them out of their car and they resist. As much as the country had a police force in place, bad surveillance helps many carjackers walk away scot-free. (Mbuthia, 2018)

3.6 Theoretical framework of crime

3.6.1 Anomie Theory

Anomie theory tries to trace the sources of crime amidst the society. Durkheim an accomplished French sociologist introduced this theory in 1893, and his argument was, the social imbalance resulting from the collapse of social norms and values leads to unrest, alienation and fear based on improper purpose causes uncertainty and can trigger crime. If a society cannot provide sustainable jobs so the youths for their survival will lead them to turn to criminal methods to earn a living.

The argument of Durkheim is that human being are influenced by their social environment from the time they come into existence, through interaction and communication with other people. Durkheim's argument is based on the division of labor that the collective moral sense of a society varies alongside the division of labor. The transformation of the old society into a modern society through the Industrial Revolution, strength, discovery and independent belief grew. They are the first signs of confusion in the new society

It was surprising that a balance was found between old traditions values and new ones which Durkheim term it as Anomie amongst the immigrants. Thus Durkheim's argument of anomie suggests that immigrant's stream brought about their own standards and values to modern society, because of industrialization needs of cheap labor. "Thus, there is a temporary imbalance in rules, specialties that increase a person's desire to commit crimes in search of a stable environment".(Smith.P, 2008) "Crime became a very strange, passionate and powerful thing that was eventually exacerbated by strong emotions, anger and revenge. As a result, fewer and fewer penalties are imposed, which is more important for restoring social cohesion and basic values." (Durkheim.E, 1964) From evolution to further industrialization, the social and economic labor distribution of development and modern society provides the basis for crime and betrayal. "The ballooning population led to higher needs in the more integrated society necessitating division of labor". (Krohn.M.D, 1978). "In a nutshell, due to discrepancies and social collective conscience, isolated people are more likely to commit suicide than individuals in a collective and

cohesive communities".(Smith.P, 2008). "Social cohesion, solidarity, group indifference and convergence of mitigates disobedience. Societal interdependence of any nature with shared beliefs serves as a key mechanism of shaping norms in the society".(Krohn.M.D, 1978*)*.

There are several different points of view about what the anomaly and how it affects behavior. On the one hand, the Durkheimian anomie says that it does to the objectives that occur on the culture of the industry of the Community on the other hand Mertonian view of anomie borrowed a leaf from Marxism that defiance in society exists as a result of a community inability to accomplish their needs hence turn to crime to bridge the gap. Compared to the value orientation of these institutions, personal interests, economic rewards, and the desire for competition and economic dominance stimulates cultural value anomalies rather the proper family values and education. (Bernburg, 2002).

Institutional anomalies are the basic basis of normative concepts and perceptions of crime and deviation, in line with Durkheim's first statement of anomaly concepts. Durkheimian anomie describes a society where economic values to economic success, is classified as non-financial institutions, education and society. Then, social values , connections and cooperation with one another ultimately challenge social control over selfish behavior, such as crime and dismissal. Institutionally defined resources and efforts can only be obtained by those who are sufficiently or financially comfortable to receive a formal education or a well-paid job. As a result or as a result of this incompetent or unrealistic goal, the middle and lower classes suffer from anomalies. Consequently,

this sense of anomaly, imbalance and division of labor justifies the adaptation methods for a poor resort. Adaptation methods are often criminal, as confirmed by the Durkheim anomaly theory.

The question then is what is the approach of criminal justice to mitigate anomaly and crime reliance in society from the policy perspective? In as much as its looks tedious non-economic religious and academic institutions approach comes in handy to mitigate anomaly. A flat playing ground to balance chances of success for everyone needs to be put in place. Low-level employees should have the same opportunities as senior employees. Low-level employees should not be fired or held responsible for what the boss thinks is reasonable.

3.7 Economic cost of crime

According to (Chalfin.A, 2013) "crime generates external costs for individuals and social cost for Nations. Chalfin highlights that in the United States, the cost of crime, narrowly construed, constitutes approximately 2 percent of gross domestic product, approximately double the amount of revenue generated by the education sector and half the amount of revenue produced by the U.S. entertainment industry. Some estimates of the cost of crime are as large as 6 percent of GDP". This in itself brings out the fact that crime is a social phenomenon that is undesirable for the growth of a country since crime imposes costs on the society since large amounts of resources towards control of crime. Of question is the extent to which criminal activities across countries becomes socially

harmful and how this harm can be measured. Crime prevalence in a society causes diversion of scarce resources from productive activity to crime control e.g. spending on police, courts and prisons in the public sector and expenditure on surveillance equipment, personal security personnel, Investment in precautions e.g. taking a cab instead of walking home at night thus, Chalfin states that expenditure in crime control ought to be compensated with more expenditure on public sector productive activities of education, sanitation and other public functions. Hence the expenditure in crime by the government amounts to deadweight loss but it must be controlled.

Crime is a non-profit product that is consumed without demand. Its piece is no attained by consideration of the cost of production like other goods hence its cost cannot be easily computed.

(Cohen, 2000)) Explains the social v external costs of crime. He asserts that external cost of crime are costs administered to the people without their approval by an offender. An example is that external cost of burglary victim include injury, and loss of productivity as a result of injury, value of stolen goods, and the value of time spent on the aftermath of burglary. Hence in economic terms it can be terms as resources required to bring back the victim fully to hiss initial position before burglary. The British economist Arthur Pigou (1932) introduced the externalities of non-market goods such as pollution, overharvesting etc. which (Roman & Farrel, 2002) related the cost of crime to that pollution hence can be addressed in a similar way.

On the other hand (Chalfin.A, 2013) further explains that social cost of crime are costs that affect the welfare of society as a whole unlike the external cost that affects individuals. The pain and suffering of by and individual have social implication to the society hence a social cost since the cost cannot be offset by any gain from the suffering. "The same is true of value of victim's time. However the value of stolen goods can be thought as a transfer from one individual to another." (Tullock.G, 1967) equally the money spent on treating a victim is thought as a transfer from one sector to the other. Thus the social cost is viewed from perspective of diverting resources from a more productive use.

Notable in the works of is that Chalfin. crime comes with other costs that are not captured by external costs.Crime discourages private investors in an area of nusiness interest to set up their businesses hence lowering the tax base of governments of that area. (Schwartz & Susin, 2003) (Skogan.G, 1987) In addition crime may induce geographically mobility of jobs to areas that are considered safer because of low crime rates(Cullen.J.B & Levitt.S.D, 1999). "Finally, high crime rates can destroy the social fabric of the community, reduce investment in human capital, and consequently low labor market commitments". (Sampson and Groves 1989; Taylor 1995.

Similar echoes of the negative crimes have been brought out by (Naddeo) that crime imposes several costs to thearea that crime is present through loss of opportunities for development in an area.Crime discourages FDI entery in an area because ofd the high risks of investments.

Its important to also bring out the caussality between Crime and economic changes. "Crime and Economic Incentives explains the relationship between changes in Crime rate as a result of chages in wages of low skilled laborers. Therefore, lower wages for unskilled workers increase crime.". (Machin & Meghir, 1998). Thus from this literature it shows negative causality between crime prevalence and economic performance in a country.

3.8 Conclusion

The reviewed literature focuses on crime and fiscal autonomy in Kenya's County Governments with respect to OSR. There exist s gaps however that the reviewed studies either omit wholesomely or they only offer a scanty coverage. Such glaring gaps are for instance, the costs of crime on OSR, and also an scanty analysis of how resource endowment, Percentage of Urbanization, Revenue administration causes variance in OSR

The current study thus seeks to address some of the gaps in the reviewed literature by examining the economic and social costs of crime on OSR and also to establish causality between OSR and resource endowment, Percentage of Urbanization, Revenue administration.

CHAPTER FOUR: RESEARCH METHODOLOGY

4.0 Introduction

The purpose of this study was to investigate the sources of variance in Kenyan counties own source Revenue. The study provides an assessment of crime prevalence to the OSR with respect to the economic and social cost of crime. Ina addition the already known sources were controlled in this research since they are already documented. In addition a trajectory of the path to devolution in Kenya is analyzed and the role of county governments in crime containment is also assessed. Within this chapter, the methods used for analysis to realize the research objectives are captured.

4.1 Data Sources

The study utilized secondary sources of data which was sourced from various publications that included: National Police Service Annual Reports 2012, 2014,2015,2016,2018, SRIC documents on crime, NCRC reports on crime prevalence, UNDP Crime Surveys among other sources. The data on Own Source Revenue was sourced from the reports of Controller of Budget for the financial years 2013/2014, 2014/2015, 2015/2016, 2016/2017, 2017/2018. Reviews was also done on reports from the (CRA) and MDPK

From all these sources and information data obtained were used in attempting to understand the Economic and social costs of crime on OSR of all the counties, as well as role of county governments in containing crime in their areas of jurisdiction.

4.2 Data Analysis

Data analysis refers to the process of inspecting, cleansing, transforming and modeling data with the goal of discovering useful information, informing conclusion and supporting decision-making. The study utilized qualitative analysis to establish the projections of the effects of crime on OSR. It examine relationships among variables with graphing the chosen data. This process allows us to understand the specific set of observations. It involves simply taking a group that we're interested in, record data about the group members, and then use summary statistics and graphs to present the group properties. With descriptive statistics, there is no uncertainty because we are describing only the items that we actually measure. We are not trying to infer properties about a larger population.

Substantial detailed information was gathered and from these, recurring patterns, trends and relationships were established and analyzed. In analysis of data, mainly tabular analyses were used. And because of inconsistence data a mean was calculated for both crime and OSR

The process involves taking a potentially large number of data points in the sample and reducing them down to a few meaningful summary values and graphs. This procedure allows us to gain more insights and visualize the data than simply pouring through row upon row of raw numbers

4.3 Unit of Analysis and Scope of the Study

The study adopted the individual counties as units of analysis and focused on the period 2013-2019. The significance of this period, thus the rationale for carrying out a study on the Costs of crime on OSR in all the counties in Kenya was that the period marked the operation of county governments in Kenya away from the traditional local governments after the new constitution came into force hence the mandate to mobilize their OSR as required by article 203(9)

The period 2013-2019 represent reforms in the police service and police restructuring. The changes included transforming the Kenya police from a force to a service, retraining the police, reconstructing the deformed image of the police to the public, and putting the police service under one Inspector General (IG) improving the coordination police hence becoming more efficient in combating crime.

4.4 Problems Encountered

The study met with various challenges, most significant being the following: first is the insufficient data from the National Police Service (NPS).The data on crime retrieved

from the online reports include year's 2012 ,2014,2015,2016,2018 In addition in an attempt to reach out the Kenya National Bureau of Statistics, National Police Service, Security Research and Information Centre and National Crime and Research Centre for complete crime data for the period 2013-2019 was futile and unsuccessful .

It was further problematic to access crime information from security authorities. The unwillingness of people within the security bureaucratic cycles to avail information was due to confidentiality and sensitivity of the data required hence in all the organizations contacted to avail then data there was no response.

CHAPTER FIVE: DATA ANALYSIS AND PRESENTATION

5.0 Introduction to data analysis and presentation

The data that was collected was analyzed in an attempt to address the study objectives. Research findings are presented in this chapter mainly in tabular form and figures.

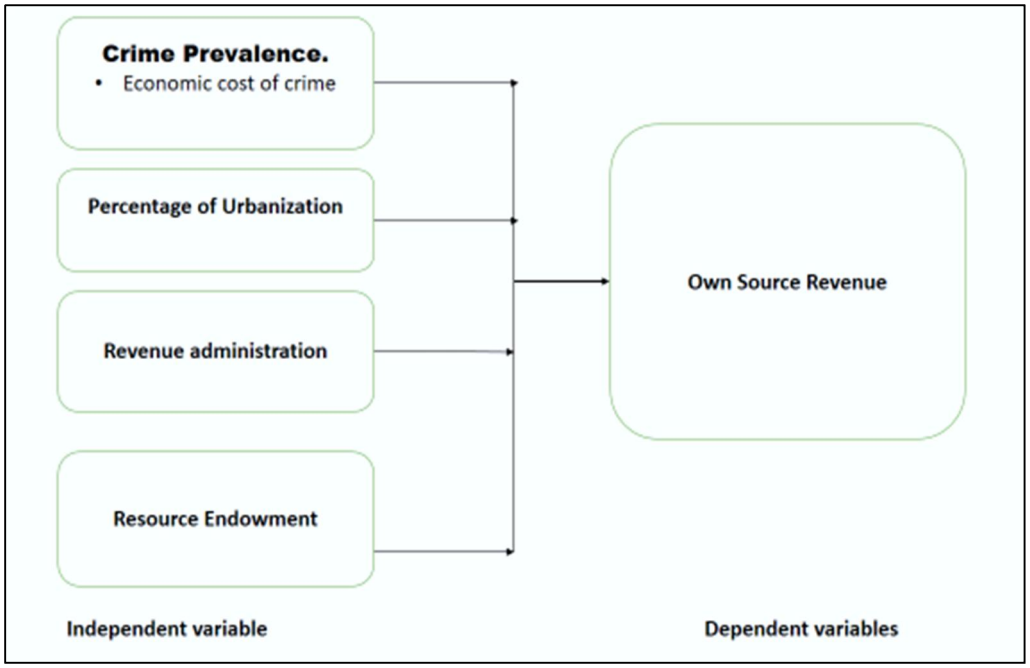
5.1 Conceptual Framework

The conceptual framework shows the connection between the dependent variable; Own Source Revenue and independent variables; crime prevalence, Revenue administration, percentage of Urbanization and resource endowment.

According to the model, several factors have a bearing on the Own Source Revenue of a given County in Kenya and explains the variance of OSR. Crime prevalence has impacted economic performance negatively thereby reducing OSR. When the relevant law enforcing institutions are weak to containment crime prevalence, it gives room to high insecurity. High insecurity on its part affects economic performance, business output and discourages growth of businesses and urban centers. High crime prevalence in the urban centers can increase the cost of doing business hence eating into profits meant for business expansion hence , increased in commodity prices, business relocation or investment flight to safer places.

Other factors influencing OSR include Percentage of Urbanization of an Individual county, Revenue administration, and resource endowment. When security is well fostered, firms are likely to be secure, hence minimizing crime prevalence hence attracting growth of businesses and entry of new firms. A weak state is one that is inefficient in containing and /or preventing crime. In the circumstances, there is disintegration of law and order, authority of the law leading to high crime rates. This is detrimental to business establishments, since it diverts investment capital to other activities that are not core to business, discourages business expansion due to added capital input to enhance security in the new premises, affects entrepreneurship and discourages investment. This thus reduce the tax base of counties. Insecurity leads to increased prices, deaths and hospitalization as well as psychological costs.

Figure 5 3: Conceptual framework



Source: Author

Due to increased insecurity, businesses may heavily invest in preventive measures, be reluctant to invest further and have reduced business hours. Some business locations are generally less prone to victimization than others, hence posing an extra expense that is not business inclined. Businesses in areas prone to high victimization tend to invest more in crime deterrents as well as storing high value merchandise away from business premises in separate warehouses thereby spiraling costs of operations upwards and profitability downwards. Foreign Direct Investments stimulate growth and inject capital into the economy in Kenya, especially urban areas because of resource abundance and market. However thus attract crime prevalence in urban areas. This in turn makes urban areas highly insecure thereby discouraging investment, and wealth generation reducing

the tax base for counties. Foreign investors may become skeptical in investing in areas that pose risk to their capital invested, hence undermining business growth as it drive investment away to considerably safer areas where there is certainty in returns on Investments.

5.2 Revenue Administration and Own Source Revenue (OSR)

"Successful performance of efficient devolved units requires adequate resources. Most of the county government funding now comes from the national government. This is due to the insufficient capacity of county governments to collect revenue in their jurisdictions". (Ndunda.M, Ngahu.T, & Wanyoike.D, 2015). Ineffective Revenue administration including corruption and unaccountability by revenue officers can harm the amount to be mobilized in different counties.

Effective running of devolved functions in County Governments require them to generate adequate Own Source Revenue. At the heart of this Own Source Revenues are the Revenue Administrators. The competence of these staff will influence optimal Revenue Collection. (Bird, 2012) argued that weaknesses in revenue collection were not sufficient to raise taxes. Developing countries have the problem that the tax administration is inadequate. This problem is caused by the lack of admissible administrative staff on request, as well as the level inadequate of education between taxpayers and tax collectors

“Financial constraints have led to the hiring of tax officials who do not understand the tax regulations they control and the concept of accounting concepts needed to analyze the data. Also inexperienced and unskilled labor problems are exacerbated by lack of training facilities and opportunities”.(Kayaga.L, 2007).In her study of tax policy challenges in Uganda as one of developing countries opined that, new technology alone is not sufficient if the government does not recognize the need for skilled tax officials.

“Corruption was identified to be the main challenge that inhibits revenue collection. The employees were also alleged to lack requisite competences for collecting revenue” (Muturi.W & Mohammed.D.N, 2018).

Inadequate measure to address the unscrupulous tax administrators can negatively affect the business environment since the delivery of service will be compromised and might lead to business community rejecting to be tax complaint.

Employees also fall victim of some interested groups as they try to protect and promote its own interests and hence creating a window for corruption as the interested groups evade Tax after giving bribes to Revenue administrators. In Addition tax officers accepted bribes to salvage their individual; financial obligation to promote tax evasion for the businessmen and ask for bribes on duty, a situation that hugely affected revenue collection. It is therefore advisable for the devolved units create favorable terms of remunerations for their staff in order to attract skilled and competitive employees and reduce case of corruption.

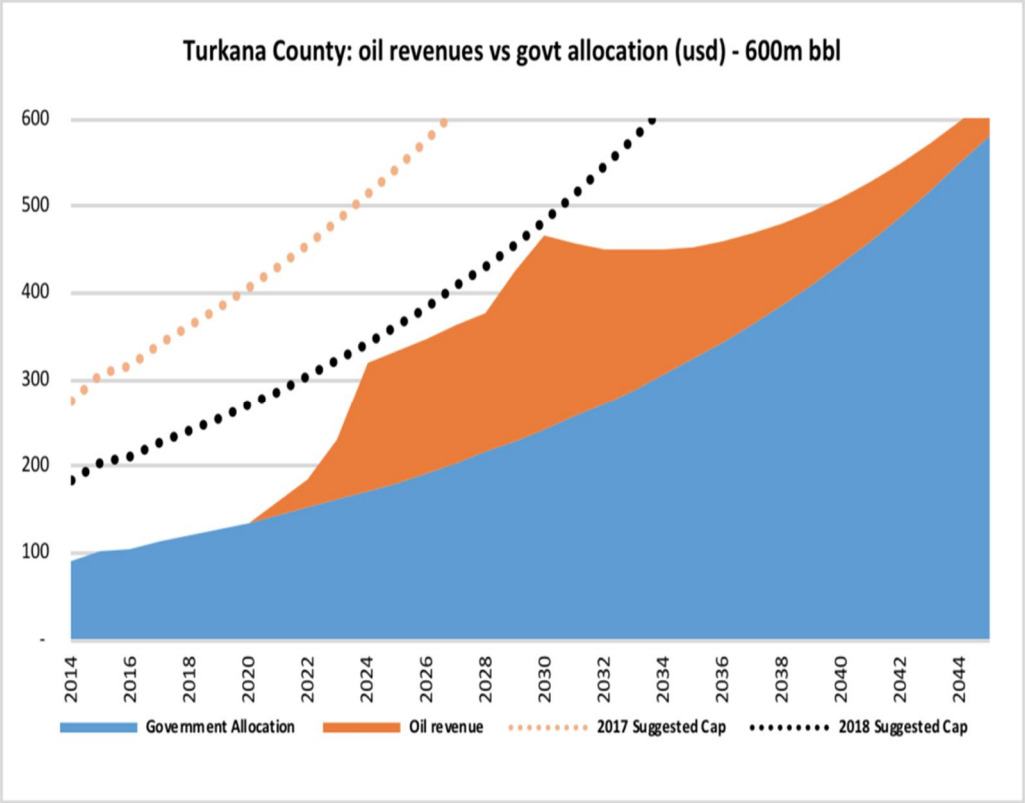
5.3 Resource endowment and Own Source Revenue

"Natural Resource endowment is the abundance of resources found in the natural environment that are developed without the intervention of humans. Some require a little input of human being to exploit the resources to something meaningful .These resources are the basis of life on earth and can be consumed directly or indirectly". (Engerman & Sokoloff, 2002)

Some of the natural resources include Mineral deposits, game reserves, rich agricultural soil that is a favorable for agriculture, Water distribution, and Proximity to large water mass e.g. coastal areas, climatic distribution among others.

The distribution of the above resources are key in evaluating the variance in OSR. This is because they form the key factors of the taxable components by counties.

Figure 5 4 : Turkana County Projected Oil revenues V Equitable share



Source: https://invhestia.com/2018/12/14/turkana-oil-field-kenya-narrative-report/

The Maasai Mara National Reserve (MMNR) also termed as recognized as the "Jewel in the Crown" and eighth wonder of the World, is one of the premier National Parks in Kenya. Every year millions of wildebeest, gazelles and zebras migrate into the Reserve from Serengeti in the neighboring Tanzania hence attracting about 50 percent of the tourists that visit Kenya contributing to the much needed foreign exchange earnings as well as stimulating local

socioeconomic development through the purchase of local products and souvenir. The MMNR is managed by the Narok County, unlike the Lake Nakuru National Park and the Nairobi National Park which is managed by the Kenya Wildlife Service. The Narok County collects all the revenues enhancing their OSR and uses it for the benefit of the county residents. In 2014, the entry fees for the MMNR brought in more than one billions as revenue to Narok County becoming a biggest contributor to their OSR (Parita.S. & Mikalitsa.M., 2019) , hence the huge revenue from this resource puts Narok in the fifth position with an average of 1.728 billion Kenya shillings (KSH)

On the contrary, Turkana County ranks poorly with an average OSR of 144,170,000 KSH because of scares resources. However the latest discovery of Oil in Turkana County will be a game changer and Turkana county will soon register huge improvement when full exploitation of the oil will take place. According to the Kenyan government Turkana will benefit from the revenue flows from the Oil being a share of OSR basing on 2016 Mineral Bill.

Though not yet signed because of some proposed amendments, the 2016 Mining Bill allocated 20% of mining royalties to the county level of government, and an additional 10% to the immediate community of a mineral locality. This means

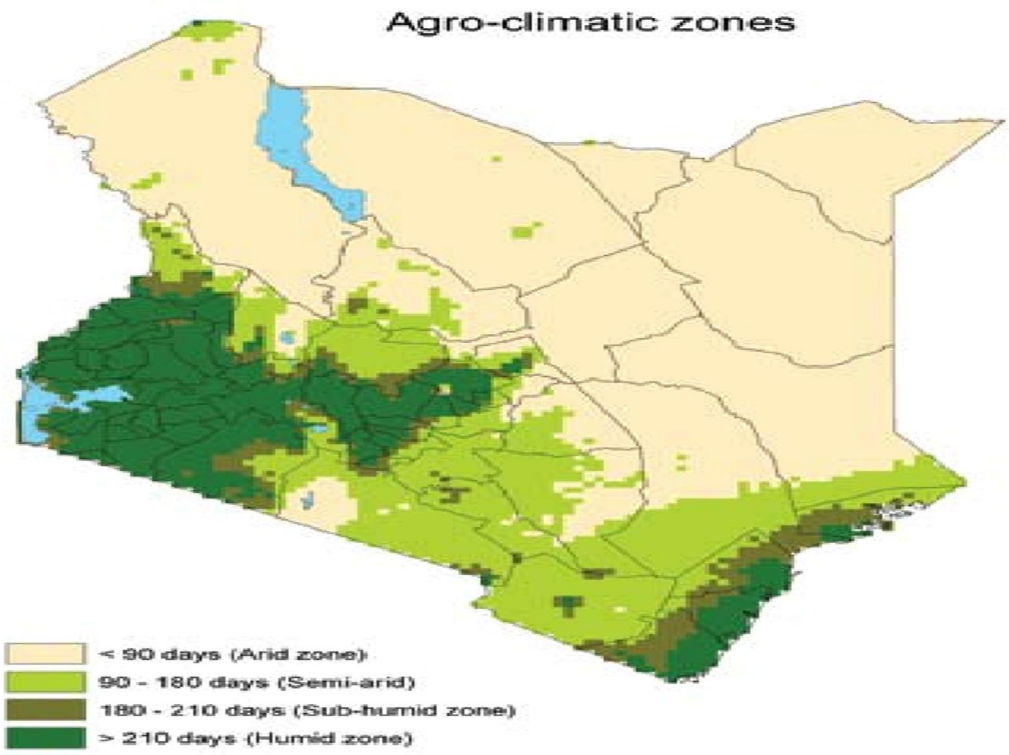
allot to Turkana County considering the anticipated total revenue from the Oil exploration hence turning around their OSR.

Turkana County's allocation from central government in financial year 2017/2018 was approximately $100 million. By 2030, for example, Turkana County would earn $224 million from oil revenues, under the currently proposed scheme depicting a change in the OSR of Turkana as a result of oil resource endowment. The Oil share for Turkana will make the County more Autonomous and its share of equitable share will be expected to drop as it becomes more fiscally autonomous.

The differences in the agro-climatic zone are an OSR variance factor. "Agro-climate zone" is a rural unit for high climate, suitable for a certain varieties of plants. Agricultural climate conditions mainly relate to soil types, precipitation, and temperature and water availability that affect vegetation's.

Climatic conditions of different geographic areas in Kenya determines to a large extent the OSR. In itself climatic conditions is a resource that influence the economic activity of a place. Areas with good rainfalls with rich soils produce more agricultural output hence a large tax base in cess in the meekest for Counties.

Figure 5 5: Map of Kenya showing distribution of Agro-climatic zones



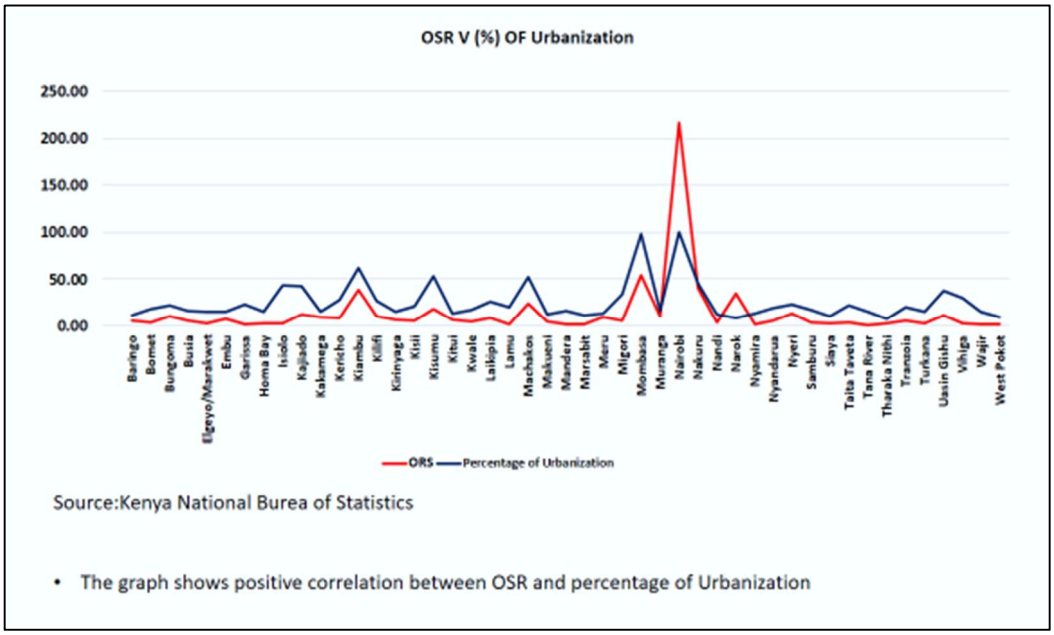
Counties that are agriculturally rich because of the favorable climatic conditions score well in the OSR rankings include Nairobi, Kiambu, Nyeri, Nakuru, Mombasa, Kericho, Bomet, Uasin Gishu, Bungoma, Kakamega, Kisii and Narok. Agricultural output is one of the main sources of OSR for counties. This imply that counties that receive regular rainfall with rich agricultural soil tend to score considerably highly in OSR. In comparison, counties that are from arid and semi-arid counties are at the bottom end of OSR ranking. They score poorly because the climatic conditions limits the production of agricultural produce lowering the tax base for counties. This counties include Mandera,

Wajir, Marsabit, Tana River, Samburu, Isiolo, West Pokot, Turkana, Garissa, Makueni and Kitui

5.4 Urbanization and Own Source Revenue

"Urbanization refers to the growth of towns and cities, often at the expense of rural areas, as people move to urban centres in search of jobs and what they hope will be a better life. In most countries the percentage of the total population living in urban areas is increasing much greater variety of shopping opportunities than in rural areas". (McGranahan.G & Satterthwaite.D, 2014)

Figure 5 6: OSR V Percentage of Urbanization



Source: Kenya National Bureau of Statistics

Urban centres are able to provide a variety of services that small rural centres cannot. These might include a public transportation system, water and sewage services, a greater variety of educational and recreational facilities, and larger and more specialized healthcare facilities. In 2017, 26.56% of Kenya's population lived in urban areas and cities.

The distribution of urban centres determine to a great extent the OSR. This is so because the licensing are done by the counties hence the more urbanized a county in the more OSR. From the above graph, there is a confirmed positive causality between the percentage of Urbanization and OSR. Nairobi is 100% urbanized and it has always dominated the OSR ranking with over $100 million

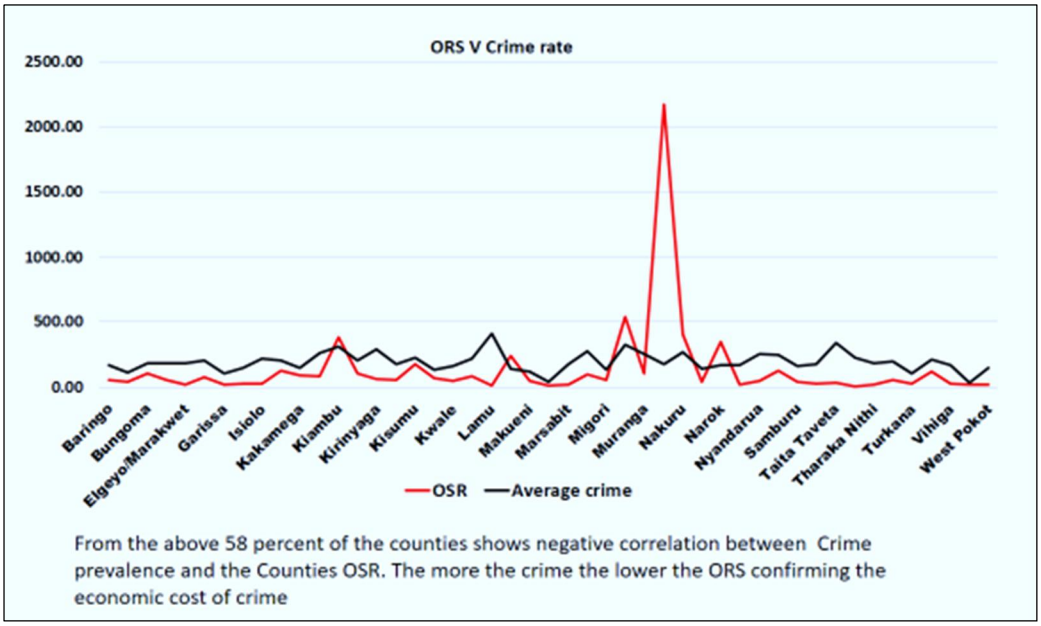
5.5 Crime rate and Own Source Revenue (OSR)

The economic and social Cost of crime is felt in the OSR imbalance. Crime prevalence variance across all the counties explains to a large extent the variance of OSR. The economic cost of crime destabilizes the production activity and diverts the profits that could be ploughed back to firms for expansion hence reduction of Counties Tax base.

From the below graph, its 28 counties shoes a negative relationship between crime rates and Own Source Revenue .This translates to 58% counties that register negative causality between crime rates and OSR .This shows that crime negatively affects the mobilization of OSR. Elgeyo Marakwet county registered the highest negative relations between crime rates and own source revenue.

During the period under review, a total of 240 cases involving cattle rustling and stock theft were reported. Elgeyo Marakwet falls under the Rift Valley region had the highest number of cases by posting about 57% of the total cases reported by the police. This is due to the fact that most of the people living in the region are pastoralists. This has really affected business in the county and to a large extent the OSR.

Figure 5 7: OSR V Crime rate



Source: Kenya National Bureau of Statistics

In North Eastern Region counties of Madera, Marsabit suffer most from the Alshabaab insurgents, who planted Improvised Explosive Device (IEDs) on their routes and even hurled others at the police camps instilling fear to the community. Al-Shabaab sympathizers have also hampered the construction of the Kenya- Somali barricade. The

barricade is meant to block illegal trade in smuggled goods from Somali. Funds from these illegal trades are used to finance Al-Shabaab activities. Major challenges encountered in counter terrorism efforts include the porosity of the Kenya-Somalia border and economic challenges like unemployment where unemployed youth remain target for radicalization.

CHAPTER SIX: CONCLUSIONS AND RECOMMENDATIONS

6.0 Conclusions

The research deduced that there is a negative relations between crime rates and county's OSR. Economic, social and psychological costs crime are the huge impediment in the OSR since it destabilizes and distorts the good environment for economic activities to thrive which is a key component of OSR mobilization. Direct economic costs included loss of money and merchandise as well as medical expenses arising from assault on business owners and employees during violent incidences of crime. The fear that is associated with crime prevalence necessitates business owners to close early, and spend more resources on security, hence diversion of resources that could have led to diversification or expansion of businesses. This worsen the ability of businesses to grow especially after political turbulences in 2017 general elections that counties registered low revenues in some regions like Kisumu county that had too much political instability and registered a sharp fall in OSR by approximately 12.9 % from Kshs.1 billion in FY 2016/17 to Kshs.879.90 million in FY 2017/18

As noted businesses incurred huge direct financial losses arising from medical care for victims of physical assault during robbery and additional costs related to business closures and relocation. In addition unquantifiable social and psychological costs resulted from violent crimes.

Since findings showed that costs of crime included some incidences of business closure and relocation, the study concludes that there existed negative relationship between crime prevalence and OSR, since a peaceful environment attract growth of new investments and entry of new firms hence increasing the tax base of county governments and vice versa.

In consideration also is the other sources of variance that is, percentage of urbanization and population size, revenue administration and resource endowment per county which have significant effect on OSR.

The interplay of all this variables brings about the variance in the OSR among the 47 county governments in Kenya.

6.1 Study Recommendations

During the reporting of all the financial years by the C.o.B, it's evident that counties have registered considerably low OSR performance to a great extent hence affecting their Fiscal Autonomy and ability to discharge their duties effectively. The poor performance of OSR needs to be relooked at to address fiscal autonomy and mitigate dependency which is vital in decision making hence the following recommendations.

Intensify active community role on matters of security in the counties.

The devolved system of governance brought by the Constitution of Kenya 2010 intended to improve active citizen involvement through public participation in aspects of governance including security issues. The restructuring of the Provincial

Administration (PA) as sanctioned by the Constitution 2010 coupled with the police reforms were all also aimed at having communities take ownership of for their own security and to improve the provision of effective security and other services. The systems in place to involve the community such as the CPA need to be active and operationalized in all the counties to discharge the intended mandate.

In addition, devolved units and national governments can develop models that are appropriate for social inclusion in security issues. Some counties already have an interactive community / police security system and county governments .Mombasa County already have some community policing initiatives supported by civil society organizations in collaboration with the NPS and County governments. The Nyumba Kumi (ten homesteads), an initiative is a form of neighborhood monitoring in which everyone plays a security role in accordance with the approach of the security coordinator, who for some time supported official state police policy in Likoni of Mombasa with the support of the Likoni Community Development Program (LICODEP) was introduced in 2008. LICODEP approach focused on improving the community safety as a whole and less focused on punishing individual offenders in response to crime and insecurity in Likoni. Working closely with local authorities, LICODEP has introduced community-based security methods that encourage the community itself to identify security threats and prevent crime.

Initiate viable investment and opportunities for the youth

Counties are better equipped to understand the distribution and d of unemployed youth, criminal activities than the national government, and their ability and vulnerability to be recruited to extremist groups. Devolved units has new for investments in programmers that connect these young productive generation to potential employers. There is an initiative to foster this linkage between central government and county in job creation Programmes. For example, a youth education and transfer program proposed for the National Youth Service (NYS) may be linked to the development of skills within a youth vocational training institution run by Counties

Counties with strategic resources should exploit for the benefit of the youth e.g. Tourism in Mombasa and Kilifi in Job creation. Youths in these coastal Counties that is Mombasa, Kwale, Lamu, Kilifi and Tana River could be assisted to supply products for hotels, or trained as sailors to get a source of livelihood. In Counties around Lake Victoria, that is Kisumu, Migori, Homabay, Siaya, youths could be assisted through respective departments of Trade to have a more structured fishing businesses with refrigerator facilities and also link them to good markets against the existence of middlemen who lower their returns.

Partnership with other stakeholders will be of importance in

capacity building activities can be undertaken for the youths to sharpen them to tap on the opportunities that come with the National Development Policy of Kenya, Third

Medium Term Plan (MTP3) geared towards achievement of Vision 2030 driven by the implementation of Big Four Agenda that focus on food security, affordable housing, manufacturing and affordable healthcare in addition to linkages with job marketing sites e.g. LinkedIn.

Proper coordination of security actors and according direct role on security issues in Counties

Simplifying operations between security bodies and strengthening constant consultation as stipulated by the constitution among the county police Authority and NPS to improve information mobilization increases the fastest response to crime and being futuristic in security plans. Harmony among the two levels of government should be fostered to eliminate gaps in the security make CPA fully operational

The evolving security architecture must be considered and can meet local demands. Harmonious coexistence between the security arms and the society are key for intelligence mobilization to curb insecurity though in some areas of Kenya these security agencies have been perceived negatively to be oppressive hence the society has lost confidence in them. In fact in some areas youths have been motivated to join the extremist groups to counter then police.

It is therefore necessary to strengthen the capacity of the police force in the areas of radicalization and terrorism, the Internet and cyber-crime, decentralization and security, in cooperation with civil society and donors. In the fight against terrorism there is less

need for new units / commissions and more need to rebuild existing structures (to fill gaps in the wall). Village elders and other peacekeeping citizens can also be helpful groups to help fight crime and the threat of terrorism.

Prompt response to mitigate radicalization and extremism

Youth radicalization to join extremist group like Al shaabab for economic gain is a big challenge to Kenya's Security forces as the number of terrorist attacks in the country. Mombasa, Nairobi and Garissa were spots of radicalization, especially aimed at young people, driven by economic incentive. "Radicalization is a process of adopting an extremist system of values combined with expressing approval, support for, or use of violence and intimidation as a method of achieving changes in society or encouraging others to such acts" (Szlachter, 2012)

Current approaches to reducing radiation tend to increase distrust and extreme emotions in Muslim youth. In the field of security and immigration, an information-based approach, including online radicalization and corruption, is needed to be addressed keenly. Community-police relations need to be developed to build confidence in a holistic, multi-system approach that recognizes the importance of family and the environment and the sensitivity of young people.

Devolved units can identify jobs and career options for the youths that can easily be radicalized. Local leaders have greater legitimacy in radicalization and may be more convincing of local residents than state leaders.

Address resource and land conflicts

A long-term resource conflict between communities in different countries - including land - needs to be resolved. County leaderships pertinent role in preventing conflicts by facilitating dispute resolution and dialogue between and within communities by strengthening mechanisms to protect the interests of the Community, particularly where resources are currently being exploited.

Land is a key resource for the pastoral community and also a major source of conflict among them.. Governors and their administrations have a pertinent responsibility to play in protecting the communal land by being the custodian of the land documents on behalf of the pastoral communities, for peaceful coexistence. In addition, cultural difference sharing between different communities can lead to harmony and peace. The central government is responsible for corporate ownership contracts, but the counties must be involved in all levels. Creation of a peaceful environment which is attractive to investors and avoid conflict especially in the new oil field of Turkana County.

Devolution should reflect the great ethnic diversity of the population at all levels of leadership at all levels and ensure that these differences are not recognized and supported by cultural differences.

National cooperation and dissemination is another opportunity for cooperation between the two governments. The National Cohesion and Integration Commission (NCIC) should be included in the mechanism of promoting national diversity and cooperation.

Enhance revenue administration

The Devolved authorities must create competitive conditions for their employees to attract qualified and competitive employees. In addition, they should arrange refresher courses and seminars as part of internal training to impart skills to their employees. Taxes owed to devolved governments must be different from taxes due to the national government. This precedent would reduce tax evasion, non-compliance and double taxation on citizens and businesses.

Further, with the exception of a number of counties that have invested in automation of their revenue, most counties have not initiated any credible strategies to enhance their own source revenues. It is crucial that all counties embrace technology in all spheres of their operations. In this regard, going forward, county governments need to provide for adequate resources for automation of all county processes.

6.2 Recommendations for further research

The study was done to evaluate the effects of Crime rates on Fiscal Autonomy and other sources of variance of Own Source Revenue. Whereas the study confined itself to only four conceptualized determinants, namely crime rate prevalence, degree of urbanization, revenue administration and resource endowment findings have revealed the importance

of crime prevalence in consideration tom its negative effects significantly influencing the Own Source Revenue in counties. Further study on the sources of Variance of Own Source revenue in counties may thus be carried out.

REFERENCES

Agranoff, R. (2004). Autonomy, devolution and intergovernmental relations. *https://www.tandfonline.com/loi/frfs20, 14*(1), 26-65.

Bernburg, J. G. (2002). Anomie, Social Change and Crime. A Theoretical Examination of Institutional-Anomie Theory. *British Journal of Criminology, 42*(4), 729-742. doi:10.1093/bjc/42.4.729

Bird, R. M. (2012). Subnational Taxation in Developing Countries: A Review of the Literature. *Journal of International Commerce, Economics and Policy, 02*(01), 139-161. doi:10.1142/s1793993311000269

C.o.B. (2017). Annual County Governments Budget implementation Review Report.

C.o.B. (2018). Annual County GovernmentsBudget ImplementationReview Report for FY 2017/18.

Chalfin.A. (2013). The Economic Cost of Crime.

Chapman, J., I. (2003). Local Government Autonomy and Fiscal Stress: The Case of California Counties. *State and Local Government Review, 35*(1), 15-25.

Cohen. (2000). Measuring the Costs and Benefits of Crime and Justice.

CoK. (2010). Constitution of Kenya 2010.

Controller of Budget, R. o. K. (2014). Annual Budget Implementation Review Report FY 2013/14.

CRA. (2012). Recommendation on sharing of revenue raised nationally between the national and county government for the fiscal year 2012/2013 and among county governments for the fisscal years 2012/13 - 2014/15

Cullen.J.B, & Levitt.S.D. (1999). Crime, urban flight, and the consequences for cities. *The Review of Ecoomics and Statistics, LXXXI*.

Durkheim.E. (1964). The Division of Labor in Society. *New York, Free Press of Glencoe*.

Ebbe.O. (1993). Worldfacctbook of criminal justice system.

Emanuele, Iva, Nazim, Gabriela, & Samah. (2011). Assessing Fiscal Stress.

Engerman, S. L., & Sokoloff, K. L. (2002). Factor Endowments, Inequality, and Paths of Development among New World Economies. *Economía, 3*(1), 41-109. doi:10.1353/eco.2002.0013

Fatile, J., & Ejalonibu, G. (2015). Decentralization and Local Government Autonomy: Quest for Quality Service Delivery in Nigeria. *British Journal of Economics, Management & Trade, 10*(2), 1-21. doi:10.9734/bjemt/2015/19478

G.o.K. (2009). The Penal Code Chapter 63. *Laws of Kenya*.

Ghai, Y. (2008). Devolution: Restructuring the Kenyan State. *Journal of Eastern African Studies, 2*(2), 211-226.

Glasgow, U. o. What is crime. *The Scottish Centre for Crime & Research Centre*.

Groll, C. (2016). The External Dimension of Subnational Fiscal Autonomy.

Heeks, M., Reed, S., Tafsiri, M., & Prince, S. (2018). The economic and social costs of Crime. *Home office*.

ISUFAJ, M. (2014). Decentralization and the Increased Autonomy in Local Governments. *Procedia - Social and Behavioral Sciences, 109*, 459-463. doi:10.1016/j.sbspro.2013.12.490

Kaseya&Kihonge. Factors Affecting the Effectiveness of Public.

Kayaga.L. (2007). Tax policy challenges facing developing countries:AcCase study of Uganda.

Khaunya.F.M, Wawire.P.B, & Chepng'eno.V. (2015). Devolved Governance in Kenya; Is it a False Start in Democratic Decentralization for Development. *International Journal of Economics, Finance and Management, VOL. 4, NO. 1*(ISSN 2307-2466).

Kinuthia.J, & Lakin.J. (2016). Sharing Public Resources Within Counties in Kenya

Kivuva, J., M. Restructuring the Kenyan State. *© Society for International Development (SID)*.

KNCHR. (2016). County Policing Authorities Human Rights Perspective.

Kramer C, R. (1985). Defining the Concept of Crime: A Humanistic Perspective *The Journal of Sociology & Social Welfare, Volume 12*(Issue 3 September).

Krisztina Kis-Katos Bambang, S. S. (2014). The Impact of Fiscal and Political Decentralization on Local Public Investments in Indonesia.

Krohn.M.D. (1978). A Durkheimian Analysis of International Crime Rates.

Machin, S., & Meghir, C. (1998). Crime and Economic Incentives. *THE INSTITUTE FOR FISCAL STUDIES*.

McGranahan.G, & Satterthwaite.D, D. (2014). Urbanisation concepts and trends.

Mkutu.K, Marani.M, & Ruteere.M. (2014). Securing the counties:Options for security after devolution in Kenya. . *Centre for Human Rights and Policy Studies (CHRIPS)*.

Muturi.W, & Mohammed.D.N. (2018). Factors affecting revenue collection efficiency in county governments:A case study of Kisii County ,Kenya. *International Journal of Social Sciences and Information Technology, Vol IV Issue IX*(ISSN 2412-0294).

Naddeo, A. How Crime Affects the Economy: Evidence from Italy.

Nations, U. (2007). Crime, Violence, and Development: Trends, Costs, and Policy Options in the Caribbean *Report No. 37820*

NCRC. (2012). Organized Criminal Gangs in Kenya.pdf>.

Ndunda.M, Ngahu.T, & Wanyoike.D. (2015). Analysis of factors influencing optimal revenue collection by county governments in Kenya :A Case of Nakuru County *International Journal of Economics, Commerce and Management, United Kingdom, Vol. III*(Issue 5, May 2015).

NPS. (2015). Annual crime report, 2015.

Nyanjom, O. (2011). *Devolution in Kenya's new Constitution*: Society for International Development (SID), Regional Office for East ….

OECD. (2005). Fiscal autonomy of sub-central governments. .

Onyango.P. (2013). Devolution made simple.

Parita.S., & Mikalitsa.M. (2019). Benefits of Protected Areas to Adjacent Communities: The Case of Maasai Mara National Reserve In Kenya. *Africa Journal of Physical Sciences, Vol. 3*(ISSN 2313-3317), pp. 1-12.

Pepinsky, H., Henry, S., & Lanier, M. M. (2002). What Is Crime? Controversies over the Nature of Crime and What to Do about It. *Contemporary Sociology, 31*(1). doi:10.2307/3089445

R.Taliercio, R. Subnational Own-Source Revenue: Getting Policy and Administration Right.

Roman, & Farrel. (2002). Cost-benefit analysis for crime prevention: Opportunity costs, routine savings and crime externalities.

Ronald.H. (2014). Devolved Government and Local Governance in Kenya . *African and Asian Studies*.

Schwartz, & Susin. (2003). Has Falling Crime Driven NewYork Citys Real Estate Boom?

Skogan.G. (1987). Disorder and Community Decline.

Smith.P. (2008). Durkheim and Criminology Reconstructing the Legacy. *The Australian and New Zealnnd Journal of criminology, 41*

SRIC. (2016). An assessment of social-economic impact of conflict in Turkana and West pokot

Tullock.G. (1967). The Welfare Cost of Tarrifs,Monopolies and Theft. *Western Economic Journal*.

UNODC. (2015). International classifi cation of crime for statistical purpose (ICCS).

Wanyande, & Mboya. Devolution: The Kenyan case.

WorldBank. (2014). Accountable Devolution Programme:Insights from the Governance Partnership Facility.

Websites

https://mobile.nation.co.ke/news/Kenyas-top-10-richest-counties/1950946-4982492-bsvuaw/index.html

https://criminology.fandom.com/wiki/Durkheim%27s_Anomie_Theory

https://statisticsbyjim.com/basics/descriptive-inferential-statistics/

https://www.nation.co.ke/news/Named-Kenyas-richest-and-poorest-counties-/1056-1291292-jty8wwz/index.html

http://democracyinafrica.org/is-devolution-in-kenya-sustainable/

https://invhestia.com/2018/12/14/turkana-oil-field-kenya-narrative-report/

https://www.reuters.com/article/us-kenya-oil/kenyas-first-crude-oil-export-sparks-demands-over-revenue-sharing-idUSKCN1VG1FQ

https://www.standardmedia.co.ke/ureport/story/2000220434/how-devolution-has-impacted-positively-on-kenyans

https://www.theeastafrican.co.ke/business/Security-budget-Kenya-leads-giving-more-to-military-police-/2560-3245184-igmgtj/index.html

추상

Crime Rates and the Fiscal Autonomy in Kenya's County Governments (2013-2019)

YEGON LEONARD KIPKOECH
국제 지역 연구
국제대학원
서울대학교

2010 년 케냐 헌법의 공표 후, 혁명 정부 시스템은 케냐 중앙 정부의 반독립 총재들이 이끄는 47 개의 분리 된 부대를 설립했다. 카운티 정부가 관할 지역 및 지역 사회에서 서비스를 제공하는 데 최적으로 운영 되려면 정부로부터 공평한 지분을 보충하기 위해 자체 소스 수익 (OSR)을 생성해야합니다. 카운티의 자체 소스 수익 향상은 케냐 헌법 제 209 조 제 3 항에 의해 제재 된 재정적 의무를 충족시키는 데 핵심입니다. 이로 인해 카운티는 중앙 정부로부터 더 많은 재정적 자율권을 갖게 될 것입니다.

케냐에서 14 개 카운티의 OSB C.o.B, OSR 보고서는 2013/2014 회계 연도에 소외된 지방 정부가 설정 한 수준 아래로 떨어졌으며 또한 47 개 카운티 중 OSR 의 편차가 있음을 강조했습니다.

이 연구의 이론은 다른 정부 정부의 지역 사회 경제 발전에 미치는 영향과 지역에 서비스를 제공하려는 욕구를 고려하여 중앙 정부에서 케냐에서 케냐의 카운티 정부 재정 자율의 중요성에 의해 주어진다 관할 지역 내 커뮤니티 커뮤니티.

이 연구는 알려진 소스에서 분산 소스로서의 사회적 현상 인 범죄의 알려지지 않은 영향에 이르기까지 카운티 자체 소스 수익 (OSR)의 분산 소스를 평가하기 위해 설정되었습니다. 그 중점은 2013 년부터 2019 년까지 47 개 카운티 정부에서 혁명이 시작된시기입니다. 범죄의 경제적, 사회적 비용에 특히 중점을두고 목표는 다른 카운티의 범죄 유병률이 OSR (자신의 소스 수익) 동원에 영향을 미치는지 확인하는 것입니다.

케냐의 OSR (카운티 소유 소스 수익)과 관련하여 범죄율 유병률과 재정 자율성 (재정 자율성)의 연계는이 연구 분야에 대한 작은 문헌에서 알 수 있듯이 덜 탐구되는 분야입니다.

이 연구는 범죄 유병률이 개별 케냐 카운티 자체 소스 수익 동원에 미치는 영향을 다룰 것입니다. 둘째, 카운티 자신의 소스 수익의 세 번째 변화 원인은 무엇입니까? 셋째, 국가가 분리 된 지배 구조 시스템을 채택하도록 자극 한 이유는 무엇이며 범죄 통제와 관련하여 카운티 정부의 역할은 무엇입니까.

이 프로젝트는 카운티마다 다른 정도의 재정적 자율성과 OSR 과 관련하여 재정적 자율성 수준의 불일치의 원인을 식별 할 수 있다는 점을 고려해야합니다.

연구 데이터는 예산 케냐 (CoB) 국가 경찰 서비스국 (NPS), 케냐 수익 할당위원회 (CRA)의 2 차 데이터 보고서에서 얻은 것입니다.

이번 조사 결과에 따르면 각 카운티의 범죄 유병률은 경제 및 사회 범죄 비용의 부정적인 영향으로 인해 자체 소스 수익 (OSR) 동원에 부정적인 영향을 미칩니다.

이 연구는 케냐의 범죄 유병률을 줄이기위한 두 수준의 정부의보다 강력한 협력을 제안한다. 범죄의 유병률이 높을수록 OSR 이 낮아져 카운티들 사이에 재정적 스트레스가 발생하고 중앙 정부에 대한 재정적 자율성 상실로 이어지기 때문에 재정 자율성 상실로 이어진다. 범죄 확산이 카운티 운영에 영향을 미치기 때문에 적절한 범죄 예방 정책을 채택하고 더 많은 보안 역할을 분담해야합니다

핵심 단어 : 혁명 정책, 카운티 정부, 재정 자율성, 자체 소스 수익, 범죄율.

학생 번호 2018-20208

ACKNOWLEDGEMENT

My ultimate thanks are to the almighty God for the gift of life, good health and His grace of provision to carry out this research and endure the tough program at Seoul National University.

I am indeed grateful to my Thesis Advisor Prof Han JeongHun and the Thesis Committee at large for professionally, skillfully supporting and guiding me in this research project. Thank you so much.

Professors and staff of Seoul National University –GSIS and all my colleagues I owe you a great debt of gratitude for the inspiration.

Special thanks goes to the Korea International Cooperation Agency (KOICA) for offering me a scholarship to pursue the Master's program. Without the generous support of KOICA honestly the MA program in National Development Policy for African Countries at SNU-GSIS would not have been possible.

My appreciation goes to Development Cooperation Policy Program (DCPP) of Seoul National University -GSIS for their support and guidance during my stay and studies in Korea.

The County Government of Kericho and the Devolved system of Governance in Kenya cannot go unmentioned in this Development Cooperation journey.

My wife lovely Carolyne Cherono Chelule, my little Son Goodman Kiptoo, my mum Aureliah Chepkwony and my late father Mr Mwalimu Tosha . Thanks for the support and inspiration in this journey

My global friends and Korean friends, we will win together this global journey as we yearn for

Global Peace and Prosperity, in Our Endless Pursuit for a **Better World Together.**

God bless you