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Remuneration Policy and Inequalities in Kenya, a Source of Labour Wars: Borrowing From Global Lessons

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ABSTRACT

Remuneration is key to any economic sustenance both to the governments and individuals thus a means to economic growth and development for a state. This study seeks to contribute to the many ongoing debates on remuneration policies and inequalities resulting from such and make recommendations for mitigations realizing their link to labour wars. When world leaders adopted the Millennium Declaration in 2000, they pledged to create a more equitable world. Yet in many countries, the ladder of opportunity has become much harder to climb. Recognizing that there exists in Kenya huge disparities in the remuneration of public workers since independence; this has led to frequent industrial wars between the workers' unions and the government. Even though the highest paid worker and the lowest paid worker need to portray some equity in public service if the economy has to experience a robust growth and development. This has become hard to achieve in Kenya as in many economies of developing world. This study sought to; 1. Find out the origins of inequalities in public service remunerations' in Kenya, 2. Assess the effectiveness of public service remunerations' policy in Kenya, and 3. Examine the relationship between public service remunerations' policy and inequalities and labour wars in Kenya. In actualizing the article, the authors used extensively written work by other scholars while relying on relevant international and Kenya's policy instruments. In the final analysis, the paper finds that there is necessity for quality interventions unlike what has been witnessed in the Public service compensation in Kenya.

Key Words: Remunerations Policy/ Public Service/ Labour Inequalities/ Labour Wars/ Labour Conflicts/ Wage Effects/ Public Administration/ Kenya/ Trade Unions

1. INTRODUCTION

This paper has discussed remuneration policies and inequalities in Kenya and how it contributes to labour wars. This study borrows inferences from the global perspectives which provide valuable lessons for individuals, organizations, and governments in policy structuring/re-structuring. By giving a brief background of the subject, the study explored certain objectives as guidelines, it explained the study problem, outlining methodology used, theoretical framework, reviewing relevant literature, and finally it came up with conclusions and recommendations.

2. BACKGROUND

Remunerations according to ESMA (2013) refer to all forms of payments or benefits provided directly or indirectly by firms to relevant persons in the provision of services. It can be either financial or non-financial. This line of argument by ESMA broadens remuneration from the traditional position that many organizations have often followed. The traditional and most often official remuneration understanding equates it to regular payments made to human persons in exchange of labour, which comes in form of salaries and wages.

According to CEBS (2010), remuneration consists of all forms of payments or benefits made directly by, or indirectly, but on behalf of institutions within scope, in exchange for professional services rendered by staff. All remuneration can be divided into either fixed remuneration (payments or benefits without consideration of any performance criteria) or variable remuneration (additional payments or benefits depending on performance or, in certain cases, other contractual criteria).

Remuneration policies are organizations' fundamental obligations for enhancing robust governance and administration. According to the above, a constant implication about remunerations is that; they are payments or benefits, they can be made directly or indirectly, remunerations may be fixed or variable, and lastly these payments are a result of labour exchange which may emanate from professional service or physical effort of persons to an organization or firm.

The object of any remuneration policy is to make an organization a desirable workplace for competent employees and thereby securing competitiveness, future development and acceptable profitability. For this to occur, it is imperative that the organizations and governments offer competitive remuneration. What is competitive in one organization is guided by the areas where they lay their emphasis. In most cases, it should portray their prime product and reason for existence. Whereas, others opt for structural divisions and sub-divisions, many other organizations focus on areas that will ultimately attract the desired profitability. The process of deciding the guide to remunerations often is clogged with invisible and visible inequalities which have varied impacts to organizations present and future existence. For states and governments such as Kenya, inequalities either will impact on; the strain and stress on government in balancing service or rewarding its employees (both civil servants and representatives), or on citizens in terms of deliverables and survival (the latter seen in terms of standards of living).

The emphasis adopted in remuneration policy at any point determines the kind of labour relations that exist in a country. Private ventures might differ with public enterprises because their policies follow transparent procedures of communication and enactments following certain value systems which do not require mass action and devoid of much politics due to known constraints. Governments and public remuneration demands probably follow the budgetary model they adopt involving projections of what they don't have which need to be obtained. Inequalities may not miss in governments as well as in firms, dealing with them skillfully is very important for the development of a country and its people. The wider the inequality would show what states consider important; a few in the ruling class or lower – level emphasis for the good of many. Different countries and different regimes often evoke one at the expense of the other. As much as class may not be completely done away with, the remuneration differentiation matters a great deal, a reason which makes it a source for many labour wars in Kenya.

In dealing with inequalities as far as remunerations are concerned, firms and governments should be very careful with the design stage of such policies as this will tend to ameliorate labour wars. Firms should consider the conduct of business and conflicts of interest risks that may arise. EMSA (2013) suggests that a firm's remuneration policies and practices should be aligned with effective conflicts of interest management duties and conduct of business risk management obligations, in order to ensure that clients'/employees interests are not impaired by the policies and practices adopted in the short, medium and long term.

Remuneration policies and practices should be designed in such a way so as not to create incentives that may lead relevant persons to favour their own interest, or the firm's interests to the potential detriment of clients. In other words, it should consider all relevant factors such as, but not limited to, the role performed by relevant persons. Again, the ratio between the fixed and variable components of the remuneration is appropriate in order to take into account the best interests of their clients: high variable remuneration, based on quantitative criteria, can increase the relevant person's focus on short-term gains rather than the client's best interest. The firms' remuneration policies and practices should define appropriate criteria to be used to align the interests of the relevant persons or the firms.

The guide to determining remuneration (the traditional view of salaries and wages) can take many forms; hours worked, days worked, piece of work done, organization history, e.t.c. But all these need to conform to some empirical structures. Salary structures serve as the foundation of administering base pay within organizations. Despite all factors, ideally the type of salary structure used varies by; job function, job level, critical workforce segment, and geography. These bases are what form the inequalities inherent in the Kenyan labour force. One major criteria leading to inequalities is the critical workforce segment.

WorldatWork and Deloitte Consulting LLP (2012), point that by global standards salary structures are determined majorly by job level, geography, function, and critical workforce segment (CWFS) respectively where CWFS is the least. This report implies that most organizations use global structures for competitive positioning. The kinds of salary structures in place globally include; traditional salary structure, market-based salary structure, broadbands, and step structure out of which, market – based structure is the most prevalent. Remuneration and inequalities could be a result of popular trends in the globe adopted by different states and organizations.

Due to the experienced remunerations leading to inequalities and labour wars, functional interventions through appointed commissions' and committees' have developed framework to guide the process of solving inequalities. This in Kenya currently is spearheaded by the Salaries and Remuneration Commission, which has made efforts towards a public sector remuneration policy. However, this has not only been vehemently resisted by Members of Parliament (MPs) and Members of the County Assemblies (MCAs) but has also been skewedly applied.

3. OBJECTIVES OF THE STUDY

The objectives that guided this study included;

1. Find out the origins of inequalities in public service remunerations' in Kenya,

2. Assess the effectiveness of public service remunerations' policy in Kenya,

3. Examine the relationship between public service remunerations' policy and inequalities and labour wars in Kenya.

4. STATEMENT OF THE PROBLEM

For many years Kenya has experienced protracted serious labour conflicts which due to their nature would be basically termed 'labour wars' since they depict a threshold of out blown conflicts. These have involved many in the public sector including; lecturers, teachers, nurses, doctors and quietly the disciplined forces (police and military). The general feeling which somehow is factual is that the top public workers, commission workers, and people's representatives are paid much higher remunerations as compared to the latter. Despite the Millennium Declaration in 2000 pledge to create a more equitable world, in many developing countries, the ladder of opportunity benefits a few continually. Recognizing that this huge disparity in Kenyan remuneration of public workers has existed since independence, the study finds it a real gap that needs urgent solution to end frequent and numerous industrial wars between the workers' unions and the government.

5. METHODOLOGY

The study employed a qualitative study on the basis of written work by other scholars. The study carried out analysis geographically and thematically as was possible under the different study objectives.

6. REVIEW OF RELEVANT LITERATURE

This section reviewed the available literature and some policies on remuneration policy and inequalities in relation to labour conflicts. The study reveals a gap of less study in this area.

6.1 Find out the origins of inequalities in public service remunerations' in Kenya

Historically, global labour inequalities in public service remuneration or wages have existed. The prevalence differs from place to place. Notably, in many quarters it has been majorly attributed to: gender gap, migrant wage gap, and informal economy wage gap. Wage inequalities affects both developed and developing economies. Martin, Shauna, and Manuela (2013) define equal remuneration and equal pay as the right to equal remuneration for men and women for work of equal value and is commonly referred to as "equal pay". The terms "equal pay" and "equal remuneration" are used interchangeably, though they sometimes have different meanings in law. Equal remuneration is the principle that is designed to achieve pay equity. Remuneration is defined to include "the ordinary, basic or minimum wage or salary and any additional emoluments whatsoever payable directly or indirectly, whether in cash or in kind, by the employer to the worker and arising out of the worker's employment." Equal remuneration is a fundamental right that is relevant to all countries, though the manner in which it is implemented in practice may vary from country to country and over time.

Research have attempted to interpret the gender wage gap, and the factors that have been advanced by researchers include: (1) an undervaluation of women's work; (2) workplace characteristics (e.g. how substitutable workers are for each other, the value of face time, etc.); (3) sex segregation channeling women into low value added jobs; (4) the overall wage structure in a country – which may be shaped by wage setting mechanisms that may have been designed with a focus on workers in male dominated sectors); (5) the view of women as economic dependants; and (6) the likelihood that women are in unorganized sectors or not represented in unions (Goldin, 2014; Chen, Ge, Lai and Wan, 2013; Grimshaw, 2011; Rubery, Grimshaw and Figueiredo, 2005; Heinze and Wolf, 2010; Rubery, 2003).

Similarly, analyses have been carried out to compare the wages of migrants with those of national workers. There are many reasons why wages of migrants may differ from those of nationals, including the fact that their personal characteristics, such as skill level, may advantage or disadvantage them in their country of destination. Part of the gap is also unexplained. Employer discrimination against migrants because of factors such as prejudice or distrust may account for part of the unexplained wage gap (Solé and Parella, 2003). Some research also attributes this to differences in returns to foreign-acquired education; employers may not be sure of the quality of the education acquired abroad (Barrett, McGuinness and O'Brien, 2012). Migrants, particularly single migrants, may also receive lower wages than nationals if they are perceived as having lower income needs than their national counterparts with families to support or they may be under- or unrepresented through collective representation structures because of difficulties organizing or because nationals dominate the overall representation – this could be exacerbated if migrants are perceived as a low-wage employment threat to nationals (Rubery, 2003).

Wage gaps affecting those in the informal economy may arise for a variety of reasons, but one common assumption is the existence of some form of labour market segmentation between formal and informal jobs. Formal sector workers may be covered by wage regulations, such as minimum wages or collective bargaining provisions and social protection systems to which informal workers may not have access, either because the relevant laws do not cover them or are not effectively enforced (Rani, Belser, Oelz and Ranjbar, 2013). Another explanation linked to inequalities is profitability. Rand and Torm (2012) if formal firms are more profitable than informal firms, then they may be more likely to share their profits with workers, resulting in a wage premium in the formal sector.

The tracing of origins of inequalities in public service remunerations in Kenya have links to colonial infrastructures on early Africans economy which defined household occupations, as well as having a bearing to the practices by Kenya as a state after independence. Maxon (1982) points, the colonial state particularly encouraged the chiefs and headmen it allied itself with in the first days of colonial rule to engage in commodity production …. Differentiation between African households was not the only inequality brought by increased capitalist penetration under the colonial rule. From Maxon's illustration, the government in charge already created distinction on two basis; one individual categories of inequality and secondly, inequality defined by commodity production zones. This would later on shape remunerations to Kenyans then.

Zeleza (1992) asserts that colonialism in Kenya, as in much of Africa, pitted peasant household against capitalist enterprise. The colonial state, therefore, like its progenitor in the imperial metropole, acted as a 'factor of cohesion' for capital's diverse and competing factions in order to protect capitalist relations of production as a whole (p.172). Correctly suggesting inequality, he notes the differentiation process of migrant labour process underlying different regions and sectors of the colonial economy gave rise to different patterns of labour migrations(p.180). The separations of peasants and capitalist as in Zeleza are a sign of inequality favouring one category at the detriment of the other. Additionally, (p.184) because of differentiation of labour process, struggles were similarly differentiated.

All the way from 1947 to independence in major urban areas, labour wars existed with causes which have semblance to those experienced lately. Among the causes, there is indication that remuneration is directly or indirectly at the centre stage. These causes according to Zeleza (1992) summarily include;

i. In 1947, according to African Labour Efficiency Survey; breaking of 'the vicious circle of low work-output, low wages, malnutrition and poor housing',
ii. Minimum wages against high costs of living,
iii. Arrests of Labour Union officials as were the case of Singh and Kubai of East African Trade Union Congress (EATUC) in 1950. The state capital responded to the strike with the familiar sticks of repression and carrots of concessions using the police and army. Concessions and iron hand of repression (through legislations) such as cancellations and suspension of unions,
iv. What state termed and regarded as non-negotiable,
v. The pressure of capacity to pay rapid public sector employee incremental as in 1964-1987 (from 589, 600 to 1,263, 300 jobs). The two serious segments under this increament even

afterwards involved Public Service and Teachers' Service Commission,

vi. Rampant Closures of industries during Structural Adjustment Programmes which forced government to cut expenditures including wages/salaries as well as employment cuts.

Additionally, we also point and add that some causes are better termed from emerging Labour Unions of 2000 and after as '*a silent interest for a political ladder*'. Agreeing with this view, Goldsworthy (1982:154) confirms, "trade unionists at all levels searched reciprocally for patrons in politics, while also, in many cases, striving to set up political careers for themselves".

In Kenya, since independence, determination of remunerative benefits within the Public Sector in Kenya (ROK, 2015) has been handled by different bodies; those led by: Millar-Craig (1967), E. Vesey (1969), D. N. Ndegwa (1970-71), S. N. Waruhiu (1979-80), T. C. J. Ramtu (1985), S. H. Ominde (1988), P. M. Mbithi (1990-91), I. E. O. Okero (1992), W. O. Omamo (1995), P. M. Munene (1997), B. K. Kipkulei (1998-99) and H. Mule (2003-04). Their actions have resulted to varying outcomes such as disparities across sectors and even inequalities in pay for similar jobs in the public service.

There exist serious challenges in the implementation of remuneration policies in Kenya over time. According to KIPPRA (2013), remuneration is not aligned to national development strategy. Public sector wage polices are instrumental in pursuit of employment creation, industrialization and reduction of poverty and inequality. They also influence private sector investment and employment creation in two ways. Firstly, high public spending crowds out the private sector from accessing investment resources. Secondly, high Public Sector wages lead to a push for higher wages in the private sector, thus undermining the global competitiveness of the national economy especially for labour intensive industries. This reveals also a serious absence of a shared national philosophy and values with regard to economic common good among the Kenyan elites.

Again, in Kenya, top public officers draw huge salaries and allowances in remuneration and benefits. Such include the executive, the legislature and the judiciary. Immediately after the 2013, general elections; the legislature seriously engaged the SRC to review their salaries and allowances. This was closely followed by the agitation of the Members of County Assemblies who also threatened not to pass any legislation unless their remuneration is enhanced. The continuous agitation for higher wages has pushed the Government to reallocate resources meant for national development towards paying wages. As this is undertaken a majority of public workers like doctors, nurses, teachers and the police continue to complain about poor remunerations. This has reduced the development expenditure to below the required statutory 30% of the total national budget.

The Permanent Public Service and Remuneration Review Board (PPSRRB) was established in 2003 to address the challenges emanating from different institutions determining remuneration and benefits across the Public Sector. With the promulgation of the new constitution in 2010, the Salaries and Remuneration Commission was established. Its mandate was to among others address the lack of legal and inadequate institutional framework to govern remuneration and benefits within the public service, powers and functions to set and regularly review remuneration and benefits of all state officers and advise the National and County Governments on the remuneration and benefits of all other public officers, and in addition, it should guide the determination of remuneration and benefits through ensuring that; total public compensation bill is fiscally sustainable, the public services are able to attract and retain required skills, recognize productivity and performance, and ensure transparency and fairness. The researchers note with disdain a lapse in the objectives of Salaries and Remunerations' Commission as far as inequalities are concerned, though covered carefully with the phrase '… and fairness'.

6.2 Assess the effectiveness of Public Service Remunerations' Policy (PSRP) in Kenya

From the ROK (2015), the aim of remuneration policy is to ensure ***all public secto***r employees are fairly, equitably, and transparently compensated for their labour while ensuring fiscal sustainability of the public wage bill.

The broad objectives of the policy are:

i. To promote a wage bill that is fiscally affordable and sustainable and aligned to the tenet of national development;

ii. To support Public Sector Employers to retain and attract highly competent technical and professional personnel;

iii. To realize an objectively verifiable, fully transparent, fair and equitable Public Sector remuneration and benefits system;

iv. To inculcate productivity and performance-related pay for Public Service employees and;

v. To reduce the significance of allowances and other fringe benefits in the remuneration package

vi. To provide standardized and consistent guidelines for remuneration and benefits determination across the public service.

To achieve these, certain principles have been adopted which emanate from the same objectives such as consistency, productivity, performance, beneficial, performance, and equity. What this paper inquire is; to what extent are these principles applied and to what category of Kenyans if the effectiveness of public service remuneration policy is to be achieved. The measure of effectiveness should be visible in the practice and in Kenyan situation; implementation phase or else there would an envisaged public relations play by government and its institutions.

Again in delving into the effectiveness of public service remuneration's policy (PSRP), this paper explores the rationale in income take- home differentials among Kenyans and asks if they are fair as per the objectives and principles of public wage bill by SRC. From this we make some comparisons from different service segments; teachers, lecturers, civil service, disciplined forces, medical doctors, nurses, and representatives; from which we point wide inequalities. On this we suggest that there is no discussion of effectiveness without giving it both economic and political dimensions. Effectiveness of PSRP can only be attained if the core principle '*service*' is given due consideration. As a country Kenya should find a remuneration equilibrium at ceteris paribus in dealing with labour wars. This is important because, if what teachers, doctors payments, e.t.c. is acceptable amount, then it should be a yardstick for remuneration ranging to deal with gaps which seem to cause labour actions. Must lecturers' in public universities go on strike every time they want better remunerations? Do teachers need to disrupt exams for government to increase their pay? And, is it in order for Kenyans to lose lives in hospitals because of lack of effective PSRP? The actions are precipitated by non-action from government and use of negative public relations on remuneration matters.

Collective bargaining, and the conclusion of collective agreements, is therefore crucial in promoting equal pay and ensuring its application in practice. Where legislation does not reflect fully the principle of equal remuneration for work of equal value, collective agreements can ensure that the principle is applied. Even where there is full legislative expression of the principle, collective agreements can provide more effective and accessible monitoring and enforcement. Bargaining can also be used to address directly pay inequalities and problems of low pay though the adjustment of pay levels (Martin, Shauna, and Manuela, 2013). From this, it can be concluded that with proper application of principles of equal pay, existences of relevant legislations, and enforcement mechanisms, collective bargains may be irrelevant.

The Salaries and Remuneration Commission (SRC) indicated the document, which the Government wants to use to achieve an effective remuneration and benefits system, is in its final stages of development. SRC Chairperson Sarah Serem noted that the commission will consult with the Executive arm of the Government today and thereafter hold another meeting with trade unions Wednesday to validate the policy. "Unless we are anchored on a specific framework, it will be difficult to ensure that all public sector employees are satisfied that they are fairly, equitably and transparently compensated for their labour," (Kisia, 2015).

When SRC came in as a new constitutional commission much scientific interventions were expected but seemingly it slowed down its objectivity for political posturing. The dubbed Public Sector Remunerations and Benefits Policy Framework (PSRBPF) excluded a very important part of 'the public', which forms the ruling class. This exclusion is fundamental if effective PSRP in Kenya is to shape economic growth and development. The many uses of public imply citizens. Juma and Onkware (2015) assert, the architect of the word 'public' postulated its meaning to surround many people. The Greek word 'polis', and Latin and old French words 'publicus/poplicus (of the people) / populous (for people)'. Segregating it for remuneration policies is a recipe of visible and latent conflicts.

The now common wage bill debate in Kenya does not embrace SRC resolve of *"ensuring all public sector employees are ...fairly, equitably, and transparently compensated'*. It is becoming a real challenge to the lifeline of many Kenyans and the economy at large and hence it becomes a political and economic question. A political issue is a situation or matter that is related to politics and is quite complicated or difficult to solve. Its realization and reality has proved to be political issue because of its complexity and conflictual nature among the polity, professionals, citizens, and existing structures and systems. It goes further to touch on issues including welfare and the role of government. On the other hand it becomes a country's economic issue because it reflects the nature of distribution of scarce material resources in quest of the service to the Kenyan society. At the very heart of this is survival of the state (when citizens' needs are appropriately and adequately catered for by government) and development.

As Wage Bill Effect and Gap (WBEG) continue to bite, many view it as indeed contributory to the economic lull. The best way to view it is that it is just one among the many fiscal economic issues that are facing the country currently in reflection of effectiveness of public service remunerations' policy (PSRP). In evaluating the WBEG and the Kenyan representation, knowing it to be both political and economic, the ideas of fixation must embrace both methods. The current ideas being floated however are self- protecting and side pointing, providing solutions without 'self' being the affected subject. In other words, let others be the victims and not us. Objectively, it is important to appreciate such efforts as eye openers subjecting the issue to thorough national debate and scrutiny.

As many agree, among options for WBEG, representation becomes an issue as well as a solution. But which set or sub-set? Is it the Senators, Women Representatives, and the Nominated Members on one side as already floated? OR, the 349 Member Parliament/Assembly? There are, however, pointers to the existing scenario. One the current numerous structures of devolution as likely source of WBEG. Secondly, Government departments motivated by the reform oriented few (Dream Team) packages in the public service professionalization. For effectiveness sake, such packages as of the '*Dream Team*' need to be realigned with others so that equity and fairness is attained.

The increments infiltrated without any controls within the government. Thirdly, the understandably good initiatives of mutations of levels of public administration by the Kibaki II regime must have added to the economic stress of this country in form of the wage bill. We consider over representation a reality that needs quick fixation if we have to experience a PSRP that we expect. From the 2010 referendum constitution, one area that Kenyans count as an important achievement since independence is Devolution. Despite its challenges it is the desire of many to have devolution rooted. This means shielding its "PILLARS" to stay on. These stand out in form of representation directly linked to it; The Senators, The Governors, and the MCA's. Outside these, Kenyans can talk of over representation.

Realizing that Kenya experiences over representation means checking any representation level not touching on devolution. This may call for unfamiliar option yet the route that can have a positive impact on WBEG- scrapping the 349 member Assembly. Why? Can representation be adequate without this Assembly? And can legislation in this country be successful without it? YES! This traditional institution performs a role which can be done by the remaining similar institutions. It is only reorganization that will be required. With this house still present, the country is faced with a 3 Level Layered Representation (LLR) model without counting on the Presidency. An individual Kenyan is represented at (i) County Assembly by MCA, (ii) National Assembly "b" by current MPs, and (iii) National Assembly "a" by the Senators. The auxiliary representations are not counted here as they are special considerations. Do we need all these Honourables to represent an individual citizen? On cost benefit analysis, which of the three have a direct representational impact to a Kenyan citizen?

For radical action on WBEG, a need to acknowledge as the executive lately did is to point that the 3 LLR model can be reduced to a 2 LLR where roles of the 349 chamber can be transferred and apportioned to the County Assembly and the Senate (remaining as the National Assembly). In ensuing arrangement, issues of national importance may be voted first at County Assemblies (CA's) and positions taken graded and scored and forwarded to the Senate/National Assembly (NA) for final voting and position taken nationally. This is in addition to their current county legislations. With this radical approach yet reality in the current Kenyan dilemma, there would be need of sizing Provincial/National Administration, and restructuring the Kibaki II structural increments which have never yielded Equal Economic Expectation (EEE) in line with devolved administrative structures.

Kenyans need quality representation both nationally and county wise. When honourables will be endowed with enough tasks to serve their people and break the feeling of duplication will we enhance service and the experience of real meaning of representation and effective PSRP. The WBEG ushers in a realization of egalitarianism in our society. Questions to ask further include; Have Kenyans lived with incomes far less than Ksh. 500,000 and brought up productive responsible citizens? YES! Therefore, it means the level of income for life in Kenya for anybody is below that. The President and others like the SRC commissioners can survive at that amount also. This is not to say people cannot make more and live at their required levels. Let them attain these through other avenues in private business enterprises/engagements which are lawful. as many are already in such.

As far as WBEG and representation is concerned, our system of governance will not have any void without the current Assembly which this paper proposes for scrapping. Its absence will mean a real fiscal and monetary effect and reduced burden to Kenyan economy. By retaining the 2 LLR model, political interests will not be curtailed as political elites can find their way and bring their expertise at the Ward and County which requires that real professionalism for quick development. We should be moving fast to quality responsible representation as opposed to quantity model reminiscent in our practice today. Constitutional offices can always be arranged time and again whenever people realize gaps concerning their survival.

For the WBEG to be fruitfully, it must not be rationalized in a skewed manner, if it has to, then, on the basis that it is about public/citizens funds collected and managed by their agents and how much should come back for their benefit vis a vis paying their agents for services offered. In this regard, you do not discuss your employer's money in a way that benefits you to his/her detriment and neither can agents agree to give tokens through dialogue to their principal. Principal-agent relationship in this context necessitates giving primacy to the principal while commissioning the agent. Wanjiku (citizens) the principal must not be given kick-backs by the agents. The agents must live as wanjiku in same measure or quit their agentive roles if service is not attractive before inconsequential power of the powerless gain a critical mass to re-arrange reigning agents.

Inappropriate remuneration structures in many countries and for many organizations have been a contributing factor to excessive and imprudent risk taking. Poorly designed remuneration policies have potential negativities on the sound management and control of risk and ultimately the risk-taking behaviour of individuals. For effectiveness, remuneration requirements for states should aim to ensure that policies are consistent with its budgetary projections (revenue sources), developmental needs, and should be able to promote economic growth and development.

6.3 Examine the relationship between public service remunerations' policy and inequalities and labour wars in Kenya.

An examination of public service remunerations' policy and inequalities and labour wars in Kenya depict; many weakness linkages in policies, influence of general policies from history (the unfinished agenda), and influence of policy from externalities.

Starting with historical influence, according to a SID report (Lando and Bujra, 2009), "Pulling Apart"; "inequality is a visible and significant phenomenon in Kenya, but it has an uncannily low profile in political, policy and even scholarly discourse". Social policy may be embedded in economic policy explicitly aimed at direct government provision of social welfare. Social policy is state intervention that directly affects social welfare, social institutions and social relations. Remunerations' policies are social policies by nature because of their concern to social welfare. It would be prudent to mention that in as far as the variable labour wars is concerned, such policies affect society relations and in the end spread to the economy.

Eangermann (2005; 1993), economic inequality can influence the development of institutions which again he stresses that in Kenya it is a result of the functioning of its political and economic institutions. Broadly looked, the constitutional institutions that address this vice inequality may be a product of forces against its decimation. The forces that look forward to ultimately influence the institutional composition for capital gains may be silent advocates of Eangermann's assertion.

The relationship between inequality, class formation and political power has been the underlying motivating factor in Kenya's politics since the colonial period. To the extent of labour wars, inequality, conflict and social injustice are increasingly characteristic of Kenyan society. The behaviour of the elite in instrumentalisation of power for its economic interests specifically through its control of economic policy corresponds to the Marxist idea of the relationship between ruling class interests and the state. It can be argued that in Kenya, the process of class formation is a by-product as well as a motor of the politically motivated redistribution of economic opportunities to favoured groups. Thus economic policy has purposefully created widespread economic inequality (Lando and Bujra, 2009).

From externalities, the relationship between public service remunerations' policy and inequalities and labour wars in Kenya, depict the current wave throughout the globe which is not specific to Kenya but all countries in the world. Rama (2001) is of the view that labour market is one of the main channels through which globalization can affect developing countries. Increased input penetration, export sales, compensation in services, foreign direct investment, and exchange rate fluctuations prompted by capital movement could all have an impact on employment and earnings. Employment earning inequalities are products of far greater factors than national alone, thus in relation to labour wars, wide research, comparisons, and consultation would be appropriate where stalemates arise.

In agreeing with our view and that of Rama; Manda (2004) avers that globalization is therefore likely to impact differently on different types of labour. The pressure that global interdependence has placed on nations to compete and combination of factors constrain the extent to which developing countries like Kenya can benefit from trade liberalization and the extent to which these can benefit the poor. There is also limited analysis of impact of trade on the labour market. Whereas from globalization the policy makers emphasize on constraints and attraction of liberalization to ease employment and thus transfer the responsibility to pay salaries, it is not easy. The prime obligation of the state and policy makers remains their duty to the 'public' which even extends to the private sector. On the other hand, globalization opens windows for ideal models of comparisons which appeal to many citizens sometimes without evaluating the individual cases prudently and the environments under which a case applies.

Back to many weakness linkages in remunerations' policies and inequalities and relations to labour wars; policy by policy analysis may give a better picture as different segment critical work force are evaluated to having a bigger picture of public service remunerations' policies and inequalities without showing bias to some. As a country we should ask a moral question whether we are proud of master caliber of people and slave caliber personalities. We should be able to explain to the future generations why better opportunities can only continue to privilege some personalities yet they are expected to support the country in patriotism, and this should answer why they should not antagonize these class elites as remunerations (take-home) is concerned.

7. CONCLUSIONS AND RECOMMENDATIONS

This study makes the following conclusions that;

i. Remuneration policies are organizations' fundamental obligations,

ii. The object of any remuneration policy is to make an organization a desirable workplace,

iii. The emphasis adopted in remuneration policy at any point determines the kind of labour relations that exist in a country,

iv. In dealing with inequalities as far as remunerations are concerned, firms and governments should be careful with the design stage of such policies

v. There have been challenges in remuneration policies and in their implementation in Kenya over time

vi. Remuneration policies should not have big differentials as per citizens critical workforce segments

vii. Effectiveness of PSRP can only be attained if the core principle '*service*' is given due consideration.

In normal labour environments, remunerations' inequality is not inevitable. *The methods adopted for policy interventions are very important in curbing industrial unrests* (labour wars). These can involve parties accepting to negotiate and adhere ring to stipulations in bargaining agreements. Again, *remuneration policies for public services should minimize gaps to reduce tax burdens on government major source of revenue (citizens) at the same time governments should not overpay the elected and appointed public officers* to the disadvantage of its professionals as a motivation for economic development or else most economic hours will be lost in labour wars. Finally, for a country such as Kenya where re-adjustments in constitution has introduced new representational structures, *re-study of the unnecessary components may need urgency to enable discarding*. Otherwise, the structures set by the new constitution does not in any way perpetuate inequality except Kenyans themselves through institutions which can regulate remunerations if we find these not economically tenable. Earning inequalities are also products of factors than national alone, thus in relation to labour wars, wide research, comparisons, and consultation would be appropriate where stalemates arise.

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