

# **SOME THOUGHTS ON SOCIO-ECONOMIC ENGINEERING IN FRAGILE STATES IN AFRICA: THE CASE OF UGANDA**

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## **Abstract**

*The variable(s) explaining the poverty or otherwise of nations has successively moved from that held for a very long time - access to natural resources, physical capital, the acquisition and sustainability of technology, the development of human capital, the generation and implementation of sound policies and more recently to institutions.*

*With respect to governance institutions, in pre-colonial sub-Saharan Africa [SSA], with the possible exception of Ethiopia and Eritrea, shifting cultivation and pastoralism precluded the emergence of formed sedentary agrarian social classes and states based on the production, exchange, and distribution of agricultural surplus in the mould of the other two developing regions of the world, Asia and Latin America. While the SSA governance institutions may have been adequate given their respective traditional mode(s) of production, given their dis-organization by colonialism in the transition to modernity and multi-ethnic polity, they have given rise to more fragile states with serious shortcomings to serve as a locus for economic development.*

*Emerging from the chaotic years of the rule of Idi Amin, when the fragility of the state had attained its maximum expression, Uganda has been in the process of building institutions for economic development within the framework of structural adjustment and liberalization of the economy. These have been anchored around three policy areas enunciated by the Ugandan Government vis. Agricultural Modernization, Poverty Eradication and Universal Primary Education (UPE) in relation to agricultural and rural development*

*The field observations on which this paper has built on were garnered in the course of poverty study in seven districts of Uganda - Apac, Lira, Soroti, Iganga, Ntungamo, Bushenyi and Mpigi. The mainly anecdotal observations are discussed around five main themes - Access to Land and Livelihoods, UPE & Poor Households,*

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*Poverty & Life Cycles, Three Hours as a Working Day and A Very Poor Village in a Rich District. The paper interfaces the observed institutional realities on the ground with the demands of sustainable economic development. It is hoped that the issues raised will stimulate further discussion in tandem with the above policy pronouncement of the Ugandan Government.*

*Towards this end, the paper suggests that for creative institutions and policies situated in the African social space, policy analysts need to disentangle the economic, political, social and cultural roots of existing institutions and mould them to nurture and sustain policies and instruments chosen by society. In doing so, such institutions need to be socio-culturally comprehensible but also sufficiently reformist and modernist; inclusive of all stakeholders but attuned to the task environment; endowed with predictable behavior without being inflexible; durable but also adaptable in process and finally transparent and accountable enough to justify their autonomy from undue political interference in their operations.*

Traditional institutions must be understood as the diverse mechanisms by which Africans regulated social and economic affairs, exercised and controlled political power. They included, for example, village councils which promulgated and enforced access rules that regulated the balance between livestock, water, and forage, assuring that overgrazing was minimized; local councils which required livestock owners to regulate their animals, protect crops and complex rules of access and use that assured young men over most of Africa access to fallow land, rules of organization, financial obligation and authority which were used to organize vast markets which sustained trade over thousands of miles...[Wunsch.S. & D. Olwu. 1990. The Failure of the Centralized State: Institutions and Self Governance in Africa. Westview Press, San Francisco and Oxford, p62].

## **1. General context<sup>2</sup>**

Among late developing regions, the sedenterization of the populace in Latin America and Asia gave rise to social formations embedded in agrarian social relations forged over a long period of time. The *conquistador* system based on the *minifundia* and

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*latifundia* was respectively counterpoised on races embracing Native Americans and white settlers from Europe – Spain, Portugal, Italy and others (see Berry, A. & William Cline. 1979; Janvry, A. 1981; Kay, C. 1974.). In the last fifty years or so, the white political class consisting of the *conquistadors* and the dependent bourgeoisie with core bases in the military, contested state power with white led leftists, sometimes in the open and at other times underground.

Since democratization in the 1980s, Latin America has been on a speedy march to social democracy, this time largely led by the Native Indians and other democratic grass root based social organizations. Unlike Europe where social democracy gradually emerged on the throes of the capitalist nation state, in Latin America, it appears to have preceded the European social formations which had formed the bedrocks for social democracy. The potential fragility of the Latin American state has been countered by formed social classes, albeit to the detriment of Native Americans and the not so far successful agrarian transition which otherwise could have ushered in the path towards industrial capitalism.

The dominant pre-industrial national land-lords in Asia have been swept away by revolutions [China, Vietnam, Laos], transited to agrarian bourgeoisie on the path to industrial capital in Japan and is still an important fraction of the dominant political class in India (see Paines, S. 1976; Bhaduri, A. 1976)<sup>3</sup>. In both Latin America and Asia, the land lord social class and a formed peasantry established an antagonistic but a relatively solid social structure both for revolutionary and reformist social changes.

By contrast, in pre-colonial sub-Saharan African [SSA] countries, with the possible exception of Ethiopia and Eritrea, shifting cultivation and pastoralist mode of production precluded the emergence of formed agrarian social classes and states based on the production, exchange and distribution of agricultural surplus in the mould of the other two developing regions above. The colonial state overlaid itself on mostly loosely inter-connected social structures and states. The SSA governance institutions may have been adequate given their respective traditional mode(s) of production. However, given the colonial disruptions and the demands of transition to modernity and multi-ethnic polity, they have given rise to more fragility states with serious shortcomings to serve as locus for economic development.

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<sup>3</sup> For the specificities in the two giants of Asia, China and India respectively, see Paines, S. 1976. "Development with Growth: A Quarter Century of Socialist Transformation in China". *Political and Economic Weekly*, Special Vol 2, pp 30-33; Bhaduri, A. 1976. "The Evolution of land Relations in Eastern India under British Rule" *Indian Economic and Social History Review*, 13(1), pp43-53.

In the post-independence period, the fragility of the state has been manifested in military *coup de etats* espousing ethnic hegemony, socialism, Marxism, democracy and other political discourses. However, with the exception of some, most failed to establish a stable polity for economic development. (Sandbrook, Richard. 1986; Roth, G. 1968; Clapham, Christopher 1985; Bromley, Daniel 1989)<sup>4</sup> The worst expression of the fragility of the modern state and its negative consequences have been manifested in no other countries than in Uganda (Twaddle, M. 1988, 1991; Mamdani, M. 1983)<sup>5</sup> under Idi Amin and currently in Somalia.

When Uganda attained independence in 1962, it was one of the most promising former British colonies. It had acquired considerable skilled manpower. Secondly, a well managed and serviced agricultural sector enabled it to become one of the leading producers of *robusta* coffee in the world. Tea and coffee mainly cultivated in the western and central parts of the country respectively ushered in a potentially regional equity of incomes. The northern and eastern regions had begun to benefit from increased commercial cotton and cattle production.

Backed by sound macro-economic policies, in 1964-71, before the ascendance of Idi Amin, the economy registered an annual growth rate of over 5% (World Bank.1998. World Development Report). The country's flourishing smallholder agriculture had backward and forward linkages with industry, including manufacturing – laying the foundation for a home market paving the way for an auto-centric mode of industrialization. A concomitant vibrant service sector was expanding rapidly. As foreign exchange earner, tourism ranked third only to coffee and cotton.

Unlike Latin America and Asia, most of the growth in agricultural output came from small holders as opposed to tenanted peasantry [Asia] and plantations agriculture [Latin America]. The industrial and commercial sectors, however were dominated by Asians and to some extent by Europeans. This fuelled chaos when Amin seized the property of Asians and expelled the owners.

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<sup>4</sup> The specificity of the African state and its implication for economic development is found in Sandbrook, Richard. 1986. "The State and economic Stagnation in Tropical Africa" *World Development*, Vol. 13, No 4 pp; Roth, G. 1968. "Personal Rulership, Patrimonialism and Empire Building in the New States" *World Politics*, Vol 8, No 2 pp 194-206; Clapham, Christopher. 1985. *Third World Politics*; Bromley, Daniel 1989. "Property Relations and Economic Development", *World Development*, 17(6).

<sup>5</sup> For more on the political economy of Uganda under Amin and the current economic and institutional construction efforts, see Twaddle, M. 1988. *Uganda Now: Between Decay and Development*; Twaddle, M. 1991. *Changing Uganda*; World Bank. 1993. *Uganda: Growing out of Poverty and Mamdani, M. 1983. Imperialism and Fascism in Uganda.*

In resource endowments, per capita income and the profile of its exports, Uganda at independence favourably compared with Malaysia. However, when Malaysia transited to be one of the so-called 'Asian Tigers', the Ugandan polity degenerated into political turmoil and economic chaos leading to massive violence unleashed by state and quasi state armed groups. Today, Malaysia's per capita income is over 16 times that of Uganda. The rapacious direct and indirect taxes from coffee, tea and cotton led to massive decline with the first two perennial crops being uprooted in many areas.

Hence, for over twenty years, with population growing at 3%, per capita income declined by about 2.2%. - a fate shared by only two countries – Congo [DR] and Niger. The economic consequence of the period was unmitigated disaster for industry. Manufacturing output declined by 3.7% and 0.3% in 1965-1980 and 1980-1986 respectively, decimating the nascent industrial base. In the conflict period of 1965-1986, the Ugandan state atrophied with a bulk of political and economic transactions reduced to personal and informal levels (see Tenkir Bongor 2004)<sup>6</sup>.

Emerging from the chaotic years of the rule of Idi Amin when the fragility of the state had attained its maximum expression, Uganda has been in the process of building institutions for economic development within the framework of structural adjustment and liberalization of the economy. These have been anchored around three policy areas enunciated by the Ugandan Government vis. Agricultural Modernization, Poverty Eradication and Universal Primary Education (UPE) in relation to agricultural and rural development

Historical and cross-section experiences from other countries suggest that if agricultural modernization is not carefully managed around clearly delineated political choices, articulated under defined policy objectives, instruments and institutions, the end result could actually aggravate rural poverty. If education, particularly primary and secondary education, are not interfaced with the demands of economic development, the prevailing socioeconomic reality and institution arrangements on the ground, the return from investment in education will be much less than optimal. Equity and gender policies could also be endangered.

Even when the aims of development programmes are obvious, clear, and enjoy wide and popular support in society as a whole, their cost effectiveness and institutional framework require a careful synthesis of the current position, the process and

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<sup>6</sup> For a more comprehensive review of the economy in the period, see Tenkir Bongor. 2004. "Uganda: Strategic Trade and Industry Policy Making" in *The Politics of Trade and Industrial Policy in Africa*. Soludo, C., Osita Ogbu and Ha-Joon Chang, eds, IDRC and Africa World Press, pp253-270.

procedures of implementation and ultimate goals. In other words, as much as the state puts in place reforms and/or builds institutions, it must not shy away to learn from the existing socio-economic base and the institutions thereof. When and where this is not the case, the history of development programmes is littered with many perverse outcomes.

This paper attempts to bring into focus some of the operating institutions in the process of the social reconstruction of the country and derive implications for policy. It interfaces the observed institutional realities with the demands of sustainable economic development with far reaching implications for institution building.

The field observations on which this paper has built on were garnered in the course of poverty study in seven districts of Uganda - Apac, Lira, Soroti, Iganga, Ntungamo, Bushenyi and Mpigi. They are meant to portray some observed phenomena on the ground. It is hoped that they will stimulate further discussion in tandem with the above policy pronouncement of the government. In doing so, the paper seeks to explore the implications of the observations for institutional reforms in such areas as land tenure, education, social security, labour markets and regional policy. The aim is that the issues raised will contribute towards the illumination of strategies for rural development on the path of evolving further policies and fine-tuning of instruments.

The mainly anecdotal observations are discussed around five main themes - **Access to Land and Livelihoods, UPE & Poor Households, Poverty & Life Cycles, Three Hours as a Working Day and A Very Poor Village in a Rich District**. Before we delve into each of the implicit and explicit policy implications for institution building, the following section situates the observations within a broader context of institutions and economic development.

## **2. Institutions<sup>7</sup> and economic development**

The role of institutions in the development process has varied according to the prevailing paradigm(s) of the period. In the tradition of classical political economy, the organization of society in terms of its structures and functions, the distribution of

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<sup>7</sup> For institutions in the context of economic development and their various strands, see North, D. 1990. **Institutions, Institutional Change and Economic Performance**. UK, Cambridge University Press; Ostrom, E. 1990. *Governing the Commons: The Evolution of Institutions for Collective Action*, Cambridge University Press.

Adelman, Irma. 2002. "Fallacies in Development Theory and Their Implications for Policy" in *Frontiers of Development Economics, The Future in Perspective*. Meier, G, Joseph E. Stiglitz, eds. Oxford University Press; Dejene Aredo. "Institutions, and Economic Development: A Survey of Aspects of the New Institutional Economics". *Ethiopian Journal of Economics*, 6(2) pp51-79. Elleni Gebr Medhin. 1998. "Transaction Costs, Institutions and Contractual Choices in the Ethiopian Grain Market" PhD Dissertation, Stanford University.

power, the formation and dynamics of the social/cultural values and their political & economic relations with nations beyond its shores<sup>8</sup> were important components of economic discourse. In such analytical frameworks, the nature of the state, the social foundations on which it was erected, in summary its institutions and their policy were of paramount importance.

The ascendance of Neo-classical economics, first as a competing paradigm, albeit as a dominant one, in the post War period and as a singular orthodoxy in the last decade has shifted the terrain of the focus of the development debate from state to market institutions. In the latter's analytical domain, since the social/institutional framework is given under its *ceteris paribus* assumption, physical and in its latest version also human capital & technology are binding constraints on the path of growth.

Given the rightly overriding concern of Neo-classical economics with efficiency and the dismal record of states in this regard, it is no wonder that the current orthodoxy of development has quite often dismissed the state as a rent seeking, price distorting, protectionist, inherently corrupt and therefore an inefficient enterprise. According to this perception, in the state's counterproductive intervention, its otherwise critical, potentially useful and pro-poor development functions - the provision of privately under supplied goods and services infrastructure, health, education etc. have been impaired. The catalogue of the failure of governments in economic management under varying political systems blurred the need to appraise the opportunities and constraints of the state in the context of its specificity. The baby might have been thrown away with the bath water.

More recently, there has been a resurgence of interest in institutions, including the state, in the context of their critical roles in the development process. This has arisen from the apparent weaknesses of earlier theories to explain the empirical evidence from late industrializing countries. The variable(s) explaining the poverty or otherwise of nations has thus successively moved from that held for a very long time - access to natural resources to physical capital<sup>9</sup>, the acquisition and sustainability of technology, the development of human capital, generation of sound policies and more recently to institutions.

When examined in the light of this perspective, compared to others, the most successful economies in Africa, Mauritius and Botswana, are devoid of easily accessible natural resources, save diamond in the latter. On the other hand, many oil

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<sup>8</sup> The early developers such as England and Holland were all maritime powers.

<sup>9</sup> The approach was popular in the immediate post-War period informing many of the planning models adopted by the then newly independent countries of the Third World.

rich middle Eastern countries command ample capital to buy sophisticated technology. Although vast oil revenue and small population groups them among those with high per capita incomes, they are far behind in the measurement of sustainable development. They have yet to develop institutions and a human capital base to indigenize the management of their development. The Indian states of Bengal and Kerela have, under elected socialist governance, attained literacy rates similar with many industrial economies. However, being sub-sets of the previously highly regulated Indian national economy, their admirable achievement in the development of human capital has not lifted them out of poverty. Policies and institutions appear to have had critical roles in shaping the development experiences of many countries.

The trend towards "bringing back" (World Bank 1997)<sup>10</sup> the state to lay down the basic institutional framework in the development process is now articulated by none other than the World Bank. According to its annual report on the bill of health of the global economy, the Bank observes that interest in the state as a partner institution in the development of policy and implementation has been promoted both by negative and positives experiences to its role across differing economic systems *inter alia*;

1. The collapse of control-and-command economies,
2. The fiscal crises of the welfare state in most of the established industrial economies
3. The important role of the state in the East and South East Asian miracle economies
4. The collapse of states<sup>11</sup> and the explosion of human emergencies

In such a historical conjecture, it is essential that the construction of novel/reformed institutional/governance systems in Africa make the social, cultural and economic specificities of their respective stake holders as points of departure<sup>12</sup>. Premising

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<sup>10</sup> World Bank. 1997. "The State in a Changing World". *World Development Report*.

<sup>11</sup> A case in point is Somalia, where the collapse of the state has reached its highest manifestation. Paradoxically, telecommunication and banking are now more efficiently run and there is a boom in the export of livestock. Was the collapse in any case that of an 'unformed state' or the state itself was an operating constraint? An interesting arena of research approaching a laboratory type controlled experiment on the theory of the state and the operating parametres of the opportunities and constraints for students of political economy.

<sup>12</sup> The promulgation of qualifications for membership in Parliament and the organization of representative organs at different levels in the Ugandan constitution is a very good example of institution building. Rather than aping the substance and style of early industrialized countries whose starting positions were fundamentally different, the major premises of the Ugandan constitution reflects an understanding of African social formations in general and the Ugandan one in particular. One may add that owing to the changing global mode of production, when Uganda industrializes in the 21<sup>st</sup> century, due to varying structure of its society, even in its post-industrial phase, its political organization need not be identical to those of Europe and America.



African development from the social trajectories of other societies and planting them on African soils have so far been fraught with many problems<sup>13</sup>. This has been accentuated by the popular cultures of dominant ideologies which portray non-capitalist and non-state socialist societies as "primitive" and their institutions unable to transcend their current economic and political predicaments<sup>14</sup>.

Consciously or unconsciously, most future elite of the developing countries assimilated these values in their education. Among those who made it to the saddle of power in the post colonial state, with few exceptions of creative innovations, the state has been used as an instrument for disorganizing the institutions of the popular social classes. This has been largely forged through the medium of ethnicization and the wholesale import of foreign, mostly European institutions.

Irrespective of the political color of imported ideological dispositions, post-colonial governance systems effectively disabled the population from reclaiming their centuries old legitimated traditional governance systems. Instead of patiently and delicately building a stable interface between tradition on the one hand and institutions associated with hard and soft modern technology on the path towards economic development, the post-colonial governing elite in Africa wasted opportunities for development seized by many countries in other continents.

As the more recent experience of East Asian countries has brought to the fore, ***the construction of such an interface and a negotiating space between traditional institutions and modernization are prerequisites for any sustainable growth and development.*** It could be cogently argued that socially comprehensible, functional, durable, and predictable but also adaptable institutions derived from such as interface are the *sine quo non* requirements of the process of development.

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<sup>13</sup> It is pertinent to note that, mainly driven by economic imperatives, the European governance systems which serve as model(s) for many African states, have been modified at varying degrees by socio-economic interventions. The pressures to do so emanated both from below and above over a period of sustained struggle between capital, state and civil society.

<sup>14</sup> Despite such ideological premises which unfortunately are also internalized by many African elites, it is said that one of the reasons accounting for political stability, sustainable growth and development by Botswana is the successful interfacing of traditional and modern institutions blended in the person of the first President, Sir Tseretse Khama, - a paramount chief of the Tswana people, educated at Oxford and married to an English lady. While Zimbabwe is still languishing in its predicaments following the 29 March 2008 elections, the following day [March 30, 2008], the 4<sup>th</sup> President of Botswana was ushered in into power in a way befitting a country of advanced political culture partly grafted from its traditional institutions. Admittedly, its small population and comparative homogeneity among the ethnic groups, institutional adaptation to other larger and more heterogeneous polities will require a more fundamental social engineering framework.

It is against this background that this article invites a discussion of the options for institutional reform in the context of the issues raised along the following observations in rural Uganda.

### **3. Access to land and livelihoods**

Our study group was holding participatory Rural Appraisal (PRA) with a group of villagers in Western Uganda first in a plenary session and then in small groups. My Group dealt with agriculture. In the course of the discussion, it was revealed that crossbred heifers were being distributed to transform the farming system. We asked the peasants as to whether they were taking advantage of this. None did. The reason according to them was that they had very small plots of land and hence could not afford the feed for zero grazing.

In front of us, about 2 kms away, was a majestic mountain. Recognizing that in most traditional African societies such lands are communal, we asked the group about using the mountain which appeared to be uncultivated and uninhabited. They pointed to a three years old girl in front of us whose grandfather they said owned it. That happened about 29 years ago when the said person was a "Big man" in government. How that land came to be individually owned is anybody's guess. Although agricultural undertaking by the landlord was not apparent, since use by the villagers will symbolize its traditional communal ownership, the new owner did not allow its use. In the circumstance, the peasants suggested that the heifer project be changed to one based on the rearing of chicken.

If the above village is a proto-type of many areas in rural Uganda, it appears that the hitherto customary land system is being commoditized with far reaching implications for the strategy of agrarian development and with it growth, development and the government's twin policies of modernization and the eradication of poverty. Where there is unused land, the peasants are hampered from increasing the national product, improving their welfare and adopting a more productive agricultural technology.

The issue raises the pros and cons of the institutional frame of structuring agricultural development via small holder agriculture versus large holdings resulting from land concentration. The above observation is at the heart of the genesis of the commoditization of land and labour, their transfer to those who are able and willing to introduce modern technology, the organization of agrarian development via large holdings, economies of scale, ease of the mechanism of resource transfer,

enhancement of the size and utilization of the marketed surplus - in short the acceleration of agricultural development and with it the basis for industrialization.

This has had its antecedents in the closing years of the nineteenth century when large holdings in America were enjoying unprecedented growth. Agrarian experts on the Left and Right of the political spectrum were unanimous that this was the right way forward. Both positions considered the mode of operation of small subsistence farmers as obsolete and primitive which had to be done away with swiftly. The creation of alienated land and peasantry was said to be necessary conditions for the transition towards modernization. Although their political motivations and goals were different, the development of large capitalist farming and the collectivization of agriculture following socialist revolutions obtained their cues and logic about the organization of agriculture from the above premises. Hundred years later, African modernizers of different shades of political colour carry this political and ideological baggage derived from the experience of late 19<sup>th</sup> century Europe and America. (Brenner, R. 1976; Kautsky, K. 1976)<sup>15</sup>.

In the context of developing countries and the so-called green Revolution Technology in Asia<sup>16</sup>, Latin America and to a limited extent in Africa, there is now sufficient evidence to appraise the effect of such agricultural technologies and gauge their effects on poverty and agricultural modernization which are the avowed policies of the Ugandan government.

In South Asia and Latin America, the spread of agricultural technology was predicated on a much skewed distribution of holdings. When owners of the land resorted to commercial farming and/or hired out their holdings in large chunks to capitalist farmers, following the substitution of capital by labour, the process led to massive unemployment and underemployment in agriculture. The imports of the critical factors of production such as machinery, fuel and fertilizers led to a drain on

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<sup>15</sup> For the early debate with regard to Europe and America, see Brenner, R. 1976. "Agrarian Class Structure and Economic Development in Pre-industrial Europe" *Past and Present*, No 70, pp30-75; Kautsky, K. 1976. "Summary of Selected Parts of Kautsky's 'The Agrarian Question'" *Economy and Society*, 15(1), pp2-49. Translated and summarized by Jairus Banaji.

<sup>16</sup> The term refers to the increasing use of a package of bio-chemical inputs [new seeds, fertilizer, insecticides etc] and associated mechanization in some areas of the poor countries with favourable ecological endowment and infrastructural settings. The interested reader can go the Indian famous *Political and Economic Weekly* which discussed the subject extensively from many ideological and political angles which at times and places was reminiscent of late 19<sup>th</sup> century debates on the subject including about the fate of the then Russian peasantry. In the context of CADU/ARLU and EPID in Ethiopia, see Tenkir Bongor. 1987. *Agrarian structure, Agricultural Technology and Peasant Differentiation with Special Reference to the Arsi Region*. PhD Thesis, London University.

foreign exchange reserves. The low level and inequitable distribution of income limited the purchasing power of the majority of the rural households putting a break on the expansion of the home market for industrial expansion. In the case of Latin America, this brought to a halt the import substitution industrialization drive of the post war period.

The relative rise in the price of food purchased by the rural and urban low-income groups raised the terms of trade against the poor. The fragmentation and dispersal of the agricultural labour class meant that they were at a disadvantage to organize unions and obtain better conditions from their employers. On the production side, comparative studies of factor use and productivity have shown that at best gains from economy of scale from large farms was spurious<sup>17</sup>. In other cases, the results demonstrated the inverse relation between farm size and factor productivity. This was partly because both the biological and chemical component of the technology are divisible and therefore scale neutral while large scale farming absorbed required much higher supervision cost.

Given profitability and ensuing adoption, the agricultural technology packages can increase productivity in equal measures irrespective of size. While there might be a positive scale effect with respect to the mechanical components of agricultural technology, small holders can organize hiring of such services or rent them from efficiently run enterprises such as ones currently run by private firm in some parts of rural Uganda.

A small holder strategy begins by using abundant factors at disposal. It distributes income more equitably alleviating rural poverty in the process. More importantly, by providing a massive market for less sophisticated inputs and consumer goods, small holders become the bedrock for the demand of industrial goods especially in the early stages of development. By increasing employment and reducing unemployment and underemployment, such a strategy assists the retention of agricultural labour force before industry is able to absorb it.

In the special conditions of rural Africa, it is also a social security network serving as a livelihood of final resort. In this period of structural adjustment, thousands have gone with skill to their villages becoming agents of change. A quick visit to some of the rich villages of Uganda will provide ample proof to substantiate this.

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<sup>17</sup> This issue has also been widely debated in the context of agricultural technology and land reform both in India [including by A.K. Sen] and Ethiopia in the sources cited under 14 & 15.

Uganda can draw from the adverse lessons of contemporary South Asia<sup>18</sup> and Latin America on the one hand and from the positive historical experience of Meiji Japan, East Asia in the sixties and post-revolutionary but especially post Maoist China. In the latter cases, agricultural technology, under very small plots (handkerchief size as some refer to them) but equitable land entitlement regimes, has become a bulwark of the modernization of agriculture and industry. These took place without sacrificing the welfare of the peasantry as was during collectivization in the Eastern European countries or large-scale eviction and alienation of the peasantry in early European industrialization.

Unlike other land constrained Asian countries such as today's China. Japan under similar stage of development and other East Asian successful economies, Uganda has vast cultivable but uncultivated land. It can hence pursue a bi-modal agrarian strategy which combines small holder based agrarian development with large scale commercial farming to meet macro-economic objectives such as growth, export and employment<sup>19</sup>.

However, in the context of a bi-modal strategy, careful thinking will be required to retain the customary right of the peasantry and structuring policies and institutions such that the tradeoffs between rapid growth and some level of inequity are at a minimum. Furthermore, such a strategy should enable the local people to directly and indirectly benefit from the modernization of agriculture by investors. The contours of agrarian transition of today's Uganda can be mapped by taking into account its own specificity but learning from the success and problems of contemporary developing economies which have combined high growth rates and human development under a predominantly small holder based farming systems.

#### **4. UPE, poor households, allocative efficiency & equitable distribution of primary education**

A casual observation of most primary schools in rural Uganda reveals a community of cute, curious and adequately fed children. This is the result of the private part of their

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<sup>18</sup> It is worth noting that a large country like India has become self sufficient in food to the extent of exporting rice even to Uganda. However, India's record of growth without much redistribution is exceeded both in terms of growth and development measures by China both in the pre and more significantly in the post-Maoist era. By contrast, with the exception of white farms in Zimbabwe and South Africa, the green revolution technology has yet to make sustained presence in Africa south of the Sahara.

<sup>19</sup> It is vital that the momentum of rapid growth of agriculture along this path is not slowed down due to legal and institutional constraints towards access to land and other supporting measures.

provision. The physical state of the schools are in dire contrast to the students. It is paradoxical why most schools have no windows and concrete floors let alone desks in Primary 1 and Primary 2. Given the humid climate and continuous rain, dust-bred insects and mud in the classrooms are inimical to the health of students and a less than congenial atmosphere for lesson delivery. On the positive side, one rarely comes across a household head, male or female, without some level of formal education.

The team came across two educated rural Ugandans, male and female, using their education in two different ways. The female, a young teacher in lower secondary is married to a farmer cum shopkeeper in a rich village. As the team had met her before, her first question upon our second arrival was "where is the new bean seed? We hit a conversation with the young male rural dweller, who had completed secondary school [S6] a few years earlier, in a poor village, through his role as a commission agent negotiating with our driver who was buying a chicken. Judging from the similarity of their ages, both ex-students must have been contemporaries.

The educated female was combining the role of mother, farmer, teacher and shop manager. If Uganda is going to industrialize in the coming few decades, unlike the early industrializers, where the proletariat concentrated in large urban centers, engagement in multiple jobs while residing in semi-urban areas is bound to be one of the defining characteristics of the development process. This is bound to have profound implications for many aspects of life. The role being played by the young lady, the nature of her jobs as 'peasantariat' cum rural intelligentsia is akin to what is taking place in today's China and East Asia. The forces leading to this social formation need not detain us. The point here is to draw implications for the required structuring of the educational system for adults who will be operating in the kind of economy described above.

The enthusiasm for the new bean seed is one of the positive externalities from the young lady's education. If complementary policies are right and she becomes a successful farmer, other peasants are bound to follow her in adopting this income enhancing technology. Her empowerment in the process will go some way in closing the gender gap. Where more than 95% of the households interviewed had no extension contact, the teacher's request for new seed was a ***path breaking demand led agricultural technology dissemination strategy***. This is bound to be less expensive and more effective than the current supply led extension system.

By contrast, one cannot help wondering about the value of the resources spent on the S6 graduate. If he is to remain a commission agent in the village, this brings some

food for thought as to the allocation of investment in education between primary and secondary education on the one hand and the nature of the curricula in both. Such issues are of immediate relevance in the context of the current Universal Primary Education (UPE) programme.

UPE is one of the great educational landmarks in contemporary Africa. Its outcomes will be of monumental significance to the country and a lesson for others. While even today's Uganda is by no means behind many African countries by educational attainment, the further casting of the educational net to enclose more children in the primary school system has dramatically increased attendance. Part of the implication is that many were forced to stay outside before the abolition of fees under UPE. From among rural youth benefiting from UPE, the country is bound to gain future scientists, etc.

When one considers the total cost of education and allocations within, the competing demand for the same resources from other sectors of the economy and the nature or work in the years to come, it could be argued that subsidized primary education be sequenced by a succession of demand driven secondary education. One really does not need advanced secondary education to be a village chicken commission agent.

This implies that among its other roles, primary education be integrated with the needs of adult life of the current children while simultaneously laying the foundation for life long demand driven learning. This brings us to the issues of what is taught, how much of it and how. As it stands now, primary education appears to have been structured as the first step in a long and torturous academic road for admission to Makerere University. This may have been appropriate when primary attendant rates were very low and the country needed to substitute expatriates at various levels. Under those circumstances, the production and the reproduction of such elites was critical.

But today, for those who are about there but not quite as the A Level graduate, and will have to subsist from village jobs like many other millions, it could be contended that a lot of what was spent on him at the secondary level could have been better reallocated by expanding and improving the quality of primary education. Beyond primary, such ones as him could have navigated further through an adult education programme which provided skills and liberal education dictated by the nature of ones job and the inclination of the potential learner respectively. On the other hand, there is not much evidence to suggest that the primary or even secondary education had prepared him to become a better fisherman, farmer or other trades undertaken in the village.

What about the content of the current of primary education? A lot of primary school curriculum, at least from the empirical evidence of delivery at the grassroots, is academic. When about only 30% of P1 entrants proceed to secondary and less than 1% to university, one wonders about the value of a shilling spent on academic lessons in primary education vis-à-vis the return to the individual and the society at large now and in the future. One could suggest that it might be more appropriate to scale down the academic content (such as sophisticated algebra and geometry in primary grade 6 [P6] and introduce practical agriculture, home economics, forestry, environmental management etc. If more than 80% of today's rural youth are going to operate in the rural economy, should not the curriculum reflect this fact and structure itself accordingly? Or continue with the demands of middle class children for urban types of jobs?

Children at all levels are important source of labour in the rural households. The vast majority of them will operate in similar areas as their centres of education but hopefully at higher levels of income and development in the years to come. In contrast to middle class households, where the necessities of life are purchased, those in the rural areas produce them within the village and the household. Children's contribution in this process is vital<sup>20</sup>. With the usual 8a.m-5p.m lesson delivery, those with few children or not yet in the life cycle to have many, are confronted with the choice of losing their children altogether for education.

If parents take out their children from school, thereby raising the dropout rate, it is because they are faced with a win or lose situation<sup>21</sup>. The scaling down of what goes into the primary school curriculum may be considered in conjunction with reduced contact hours. This way, the same resources can provide access to education, practical experience and children could avail themselves for a continued support of the household economy. Could the school calendar be adjusted to suite that of agricultural and domestic tasks?

Reducing direct contact hours could save classroom space. Given the current poor state of schools and the shortage of instructional materials, might it not be better to rehabilitate and re-equip the current schools rather than their lateral expansion

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<sup>20</sup> This is notwithstanding the discourse about the "problem of child labour" espoused by urban middle class bureaucrats and the ILO. It must be noted that given the institutional framework and the deficiency of capital, such labour input at least in the short term is a make or break input in the household economy. The calamities of AIDS has not made matters any better.

<sup>21</sup> It might be interesting to study the reasons for dropping out and the social and gender profile of the children who do so. The writer's hypothesis is that they are mostly the children of the poor, female headed households and girls.



through the construction of more of less equipped classrooms? When there are many vital social services and infrastructure required for development, it is surely pertinent to revisit the strategy of delivery so that it becomes more cost effective and attract sustained attendance from the poorer segments of society. The structural difference in the system of production and consumption between urban and rural areas, poor and better off households and regions where education is not yet 'felt need' imply varied modes of delivery and institutional arrangements. The case for national homogeneity in educational institution building needs to be balanced by varying felt needs and current capacities and capabilities.

## **5. Poverty and life cycles: The lives of two Wazees**

[Plural of elderly persons in Swahili]

This observation revolves around the lives two Wazee. One was a subject of our case study series. We first glanced through a poorly dressed elderly person of about 70, chopping wood near his *shamba* [farm near the homestead] surrounded by coffee trees, banana, fruit trees and an assortment of livestock foraging around. On the side nearby, a brick walled corrugated iron house, one of the status symbols of today's rural Uganda, was nearing completion. We at first thought it was being put up by members of the new generation or those for whom the *Mzee* [elderly person in Swahili] worked. Two fairly well dressed ladies, one in her fifties and another in her early thirty breast-feeding, were lingering near the gate. As this was a rich village, we reckoned that the *Mzee* was a farm-help. He was not to be.

Having recognized us, acknowledged our presence and listened the objectives of our visit, the *Mzee* disappeared into the house, changed his clothes in the manner befitting when meeting urban people and sat with us. The discussion was later joined by the only wife, the older of the two described above. It transpired that he had P4 education and had for a long time combined the position of school cook with farming in his village. He has put his hands in a variety of crops around the homestead and virtually all types of livestock from the area.

He had four daughters who all married 'outside'. Two had died recently. Their kids are being looked after by the grandparents (rendering the social security function shouldered by the state in late capitalist countries!). The marriage of the couple was further cemented by an unfortunate event. The wife had looked after and waited for the *Mzee* when he was in jail for 7 years following his accidental killing of a burglar at his home.

The husband drank occasionally and even then only in moderation. This was smilingly attested to by the wife. The rapport between the two was such that it seemed that they were newly wedded sweethearts. He appeared to not only enjoy his old age, the brick house under construction was his. Upon its completion, the couple were to enact their marriage vows in a church ceremony. One of the main ingredients of success of these lives appears to be a sustained and loving marriage [more a function of luck?], disciplined management of resources and a sense of belonging/having root in the village.

By contrast, the second *Mzee* lived (or rather wandered) in a poor fishing village. Although he was in his early sixties, he looked like he was in his seventies. He was dressed in rags and walked on his own on the periphery of the village for the duration of our stay. He appeared so alienated that one needed tact even talk to him about his life, a problem compounded from my not knowing the local language. One informant mentioned that the old man had been a fisherman all his life and was now unable to go out in the waters to earn a living. He is said to depend on the goodwill of the villagers and other alms. He never married and withstands the nighttime cold by sleeping close to the fish smoking stove. As was the case with most fishermen, he had come from a broken family, could not access land and had lost touch with his kin and kith.

Towards the bustling end of the village, young fishermen appeared well dressed and happy. Most had dropped out of school because of their inability to pay school fees and lack of interest and motivation. The local shopkeeper informed us that in some days their fish catch could earn them as much as Ush60,000/day<sup>22</sup>. Most of this is spent on booze preferring beer to *waragi* (strong alcoholic local Ugandan brew) on such occasions. They drank beyond mid-night and like the old *Mzee*, they obtained their warmth by the fish smoking stove. Having seen the 'retired' fisherman without anything to fall on in old age, one begins to feel for the fate of the apprentice fisherman who come from similar family backgrounds and spending habits.

It appears that in contrast to the first, the second *Mzee* is a victim of his early life which pushed him into rootlessness and a reckless management of his cash flow as could be inferred from his successor fishermen. The cook cum farmer on the other hand is a beneficiary of plantation crops like coffee, which do not require much investment in later life, a judicious management of resources and a network of social

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<sup>22</sup> This was higher than the monthly wage in Kampala but partly balancing out non fish catch days in the low ebb season.

relations based on the family and the community at large providing social confidence and support.

The situation of the two *Wazee* brings to the fore the adverse consequences of alienation both from land and social relations. The contrast in social conditions of the two pensioners suggests the centrality of the family as an institution and the need to nurture its flourishing in the context of building a modern society. The trend towards the privatization and concentration of land mentioned under 3 above, could among others deprive the livelihood of the likes of the relatively comfortable pensioner, leading towards the production and reproduction of the problems of the second *Mzee*.

Among fishermen, more than the constraints of absolute levels, what is lacking is a proper management of incomes and confidence in the future. Such groups could benefit from a compulsory social security system. Zimbabwe is working the modality of such a system which could cover rural households as well. Uganda has the advantage of an already existing adult male universal collection in the form of the Graduated Tax. Can it also include a social security component?

Even if the pension payment from such a venture may not be adequate, in the rural setting, where some of the needs of old age could be met locally, its compounded collection may not be an insignificant supplementation. In the social context of rural Uganda, the operation of such a social security policy could build on the almost current universal male land entitlement but with institutional reforms to include women. This can be a policy discussion arena where rural land access institutions can be built upon in the construction of a social security system. A detailed multi-disciplinary study of such rural institutions could offer in sight along this direction.

## **6. Three hours as a working day**

We were discussing the loss of oxen power during the civil strife of the 1980s. A question was then raised about the cost of the complementary input with oxen power, labor. The common daily wage rate was said to be Ush900/day. The logical question following it was the length of the working day. It was reported that hired labor usually began working at 7 a.m and put down tools at about 10 a.m. What about the afternoon segment of the work day? There was said to be none. Even given the humid nature of the climate in the area, three hours of work a day without any substantial animal or mechanical power is surely a very low labor input. This is particularly so considering the seasonal nature of agricultural tasks

Given the low productivity of the above arrangement, in another district, certain agricultural tasks are contracted out on a piece rate basis. However, when a given piece rate was completed, there was not a second piece of work undertaken in order to obtain more income. It reminds one the contrast with the renting of a bed by three Asian students in Europe to be used on a shift basis in order to maximize income through saving from the cost of accommodation. They studied in one shift and worked in the other. When they left for home, whereas most African students departed with consumptive electronic goods, the Asians did so with working capital, equipment or savings to open up business in their countries. Part of the contrast in the dynamic development of Asia and Africa's backwardness may partly be found in this motivation and capacity for hard work

Agricultural tasks under tropical conditions are laborious, back breaking and 'dirty.' Hence, in mainly parts of the world, they are usually undertaken by migrants (national or international) who are pushed by circumstances and/or attracted by opportunities and therefore have to work harder and longer. Those living in relative abundance with limited needs and aspirations may not be the prime movers of agricultural productivity. The slave trade, transmigration of indentured labour were historical cases in point. Even today, Mexican and other immigrants are the main sources of agricultural labour in the US. Similar patterns of labour supply took place in the boom years of coffee, tea and coffee in Uganda.

The current low input and productivity of labour compared to wages is one of the major reasons which makes Ugandan agricultural products, for example maize, the most expensive in the region. It seems paradoxical that, countries in the region where such factors as good soils, land and favorable climatic conditions are in short supply, produce most agricultural products at lower costs. This phenomenon calls for a strategy of the introduction and diffusion of adaptive labour using technologies which can alleviate the drudgery of labour without having to make massive substitution of labour by capital.

The adaptation of such tools as hand tillers used in the diminutive and mountainous plots of East Asia might be worth considering. The situation also calls for a policy of free mobility of labour and other supporting measures to reduce the cost of labour while increasing its productivity. The conundrum of high unemployment, underemployment with high unit labour cost and low productivity needs to be untangled through the reform of the education system, adaptive agricultural technology and a liberalized labour market. The reform of the curriculum and educational institutions could make significant contributions along this line.

## **7. A very poor village in a better off district**

We were in one of the richest districts in the country. This was once a labour exporting region which changed its land constraint into an opportunity by becoming now one of the most important suppliers of *matooke* [banana processed into staple food], milk and coffee. The management of the banana trees, the numerousness of exotic and cross bred cows and the heavy traffic to and from attest to its emergence of as one of the major agricultural areas of the country.

Where the rich village is located in this district, there was even tapped water [uneconomically give out free] from a collection centre nearby. The primary school was one of the very few with concrete floor, proper windows, office facilities and well maintained school compound with free access to water. The thriving village has even attracted [or welcomed them after the inevitable] its retrenched sons and daughters for gainful employment in farming.

Depending on the route one takes based on the penetrative power of ones vehicle, the poorest village was about 40-50 kms from the district capital. Despite being located in one of the rich districts of the country, it turned out that our 4-wheel was the first vehicle to have ever arrived in the village! When they saw the 'monster' some of the little kids cried while, others were excited touching and feeling it. Located on the edge of the Rift Valley facing Mt. Rwenzori, the rough terrain means that journey by foot is hazardous. There is a wide disparity between physical and temporal distances.

Until recently, the place was the preserve of wild animals. Yet, despite its 'remoteness', a bottle of coke was still only Ush500. How the profit margin of the poor is so low! The good news is that the message about the benefit of education was getting across. The community was in the process of expanding the primary school. Most of the children in P1 and P2 appeared to be overage for their class. The village had the only non-English speaking Local Council [LC1] chairman among the studied villages to the detriment of this writer whose command of the local language was not yet up to standard.

A bunch of *matooke* was about Ush500 while most urban made goods are much more expensive. Part of the reason for poverty here is adverse terms of trade caused by its 'remoteness' and attendant high transport cost. Subsistence rather than commercialization is the norm. The key input to orient the area towards the national economy is access road and reduced fuel price to bring down transfer costs. In order to overcome the circular causation of underdevelopment in the periphery of an otherwise better off district, a regional policy to address the needs of disadvantaged

sub-units within a district is imperative. In the context of decentralization, the further refinement of the Equalization Grant<sup>23</sup> could be a step in the right direction.

## **8. Conclusion**

Uganda is indeed blessed by nature. Abundant rainfall distributed over most of the year and the variability of seasons across the country makes agricultural production and marketing all year round activities. The vast water bodies and swamps open opportunities to supplement precipitation for undertaking multiple cropping beyond the major and minor seasons. Coupled with the supply of nutritious fish in many parts of the country, it is rare to see symptoms of rural malnourishment, elsewhere vividly manifested in children.

Compared to many other African ones, the country enjoys good network of roads. From Lira Town, to reach the poorest village in the district of Lake Kioga, one traverses three main round about leading to different parts of the district. The basic rural road infrastructures are in place. What is needed is a systematic repair and maintenance system to ensure access in all seasons and directions. The prohibitive transport cost caused by one of the highest domestic fuel prices in the world is, however, a major constraint raising the transfer cost of inputs and outputs.

Given its natural resources including ease of social and economic access to land, good climate, network of roads, a reasonably high level of education, Uganda enjoys a potential capability and capacity to forge ahead with growth and development. In doing so, it has oriented growth towards empowerment and equality. Its publicly enunciated policies of poverty eradication, modernization and universal primary education can be viewed as important tools towards these goals which need to be anchored in viable institutions.

Towards this end, policy analysts need to disentangle the economic, political, social and cultural roots of existing institutions and mould them to nurture and sustain policies and instruments chosen by society. In doing so, such institutions need to be socio-culturally comprehensible but also sufficiently reformist and modernist; inclusive of all stakeholders but attuned to the task environment; endowed with predictable behavior without being inflexible; durable but also adaptable in process and finally transparent and accountable enough to justify their autonomy from undue political interference in their operations.

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<sup>23</sup> This is a grant given based on the relative poverty of districts. It may have to be further sub-divided to take into account very poor villages within better off districts.

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