### Units of measurement and explanations of poverty in Uganda

<table>
<thead>
<tr>
<th>Unit</th>
<th>Possible Causes</th>
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| Uganda                        | history (including pre-colonial, colonial, civil war, etc)  
shocks (including the oil shock, drought, HIV/AIDS epidemic)  
situation in international economy (including terms of trade, debt overhang, lack of voice)  
stabilisation and structural adjustment policies  
failure of economic policies  
failure of poverty alleviation programmes  
failure of external aid         |
| Regions                       | natural resources/geographical profile - location, climate etc  
situation in national economy  
history (including war and physical insecurity)  
recent and current policy  
political organization  
cultural factors            |
| Districts and towns           | natural resources  
geographical profile - location, climate etc  
situation in national economy  
history (including war and physical insecurity)  
recent and current policy  
political organization  
cultural factors  
local organization (political institutions, administrative capacities, leadership) |
| Neighbourhoods within towns and rural communities | district/town location and history (including war and physical insecurity)  
structure of local economy, society and polity  
local social institutions - particularly those governing economic and social exchange and distribution eg barter, markets, "sharing", bridewealth, inheritance laws, rules governing access to land, weddings and funerals, work-sharing practices, share-cropping etc  
local social organizations (family, household, lineage, RCs, women’s groups etc)  
local values, beliefs and attitudes |
| Households                    | location and history (including chance)  
resource endowment (access to land, labour, credit, technology, inputs, infrastructure, human capital, entrepreneurial ability, managerial ability, political ability)  
social resource endowment (social capital - material investment in others for direct material returns; material investment in others to create social obligations or status)  
stage in life cycle          |
| Individuals                   | resource endowment (access to land, labour, credit, technology, inputs, infrastructure, human capital, entrepreneurial ability, managerial ability, political ability)  
social resource endowment (social capital - material investment in others for direct material returns; material investment in others to create social obligations or status)  
stage in life cycle  
gender; age  
rural/urban  
elites/masses  
capitalists/workers  
vulnerable (see Figure 10) |

One suggestion made to us in Uganda was that some of the operations of the international development management system were actually a cause of poverty. Evidence cited included the way
in which multilateral and bilateral loans are tied to Western products (for example, import support and studies by foreign consultants) which are more expensive and less appropriate, have to be paid back, and do not generate much further activity within Uganda.

Internal causes of poverty include systematic patterns of discrimination - based on class, gender, age, and ethnicity and the legacies of war, regional neglect, and political opportunism which diverted local and national institutions towards particular elite interests, resulting in, among other things, bad economic policies.

4.5.2 Stratification and poverty

Current sources of income in Uganda include: aid (via government, donors, and NGOs), corruption, government rent-seeking, formal sector business, informal sector business, large agriculture, small agriculture, religion, local politics, trade, banditry and theft, "sharing" and charity. To the extent that the elite diverts aid intended for poverty reduction programmes then poverty and social stratification are closely linked. The wealthy also gain access to agricultural and industrial (informal and formal) surplus via oligopolistic practices and price-fixing, controlling local grain and credit markets so that the poor are selling grain after harvest the price is at its lowest and buying it back when prices are high, and using the tax and regulatory system to acquire rents. Some of them have also used their political power to engage in "land-grabbing" in some areas.

Capitalism is not yet established in Uganda although a beginning has been made. It emerges through two processes: artisans and wage labourers slowly transform themselves or the power of state is used to hasten the transition by providing the new class with access to resources. Brett (1992) claims that both are happening in Uganda. After 1962 an African entrepreneurial class emerged but in conditions which stopped it from operating on the legal-rational principles presupposed by economic theory. The rural economy is dominated by the political and civil service elite who retain their urban links and invest some of their urban earnings in rural businesses. They maintain personal connections and obligations in their home village. A few small entrepreneurs have accumulated resources by identifying local opportunities, often in the black economy, working hard, and applying an instinctive organisational ability. They often take advantage of resources derived through links with the formal sector.

The new business elite consists of people who have moved into the formal sector through education and contacts, acquired resources through primitive accumulation and developed their local assets through family networks. The most successful local entrepreneurs can develop political connections and use them to acquire assets in Kampala and develop them locally. They combine activities usually thought of as separate in modern societies: urban/rural; state/market; personal/corporate (ibid).

Rural accumulation has been dominated by surplus transfer via the state. This involved high official salaries up to the 1970s, access to Asian property in 1973, exploitation of monopoly rents derived from official positions since 1962, and acquisition of land through the 1958 land legislation. As a result the political and administrative elite has wide interests in local transport facilities, hotels, shops, trade, small processing industries, large farms, and ranches. Much of this capital came from illegitimate sources particularly in the 1970s and 80s. As these businesses have succeeded owners have grown more reliant on business incomes than rents and this could produce a significant change in the nature of their position in the economic structure and attitude to the state.

While the development of capitalism may be necessary for growth and development in the long-run, if it is not controlled then inequality and poverty are likely to increase as a result of the scramble for resources. The problem about this is that there is currently not a class of entrepreneurs and a political class who might check the worst excesses of the other. Rather there is a more homogenous elite pursuing its self-interest in whatever arena appears profitable.
4.6 Policies and poverty

For sociologists poverty is a political matter as much as an economic one. It is embedded in unequal economic, political and social relations, and transmitted through the generations culturally. It is something experienced by people as they pass through life and involves a range of deprivations, processes and relationships, some of which are more amenable to possible policy interventions than others. A strategy for poverty reduction with any chance of success must be a long-term one. It requires integrated attacks on many fronts including the legal, political and cultural and particularly the organizational as well as the economic. Such a strategy cannot be developed as a technical matter - it is political and involves values, interests and public discussion which must come from the Ugandan people themselves. A poverty strategy based solely on the economic model described above and imposed by the Bank as part of conditionality will not work. This style of interaction hinders the development of "ownership" and "accountability" since it is the Bank that owns the policies and the Bank to whom politicians and civil servants are (theoretically) accountable. Future research and policy advice relating to poverty in Uganda should be managed and done as much as possible by Ugandans as part of an ongoing process of data collection and policy and recommendation and evaluation. Capacity-building and the use of outside researchers and consultants should be planned in a long-term way and controlled by Ugandans. Given a Ugandan commitment to poverty reduction, both economic and sociological analysis can play vital roles in the development of efficient, equitable and implementable policies and research programmes geared towards poverty reduction. The sociological preference is for providing analysis and conclusions in a form which allows for choice: if you do this then this (intended) and this (unintended) might happen rather than advising on the goals as well as the means.

5. Applying Aspects of the Sociological Model

The conceptual model outlined in Figures 5, 6, 7 and 8 can be used to analyse a number of social processes with implications for poverty, economic growth and development. Certain features of the developing system and social configurations in Uganda since Independence have resulted in the playing out of certain system contradictions and social competition and conflicts, one consequence of which has been the deepening of poverty. Here, we only have space to consider a few of the possibilities that occur from studying the model. These are institutions and rural productivity; relations between the formal and informal; coping strategies and investment; and why Uganda is so much poorer now than in the 1960s.

5.1 Institutions, agents and rural productivity

There are a number of institutional, cultural, and organizational factors which might affect the supply response to trade liberalisation (see Figure 13).

5.1.1 Is the liberated price reaching the producer?

Here the focus is on a economic meso action variable: middle men. "In the marketing of crops, large private traders have in many places occupied the monopsonistic positions left by co-operative societies using small scale traders (bicycle traders) as intermediaries. Marketing margins are high, extortiously in some remote areas. Intra-seasonal price variations are large and problems of storage, especially of maize, make it difficult for the majority to take advantage of seasonal prices." (Evans 1994)
Figure 13. Institutions, agents and rural productivity

**SPACE**

- **System**
  - Cultural
  - Social
  - Economic
  - Political

- **Macro actors**
  - Executive
  - Bureaucracy
  - Legislature
  - Judiciary
  - Extra-Government
  - Agricultural extension
  - Social contradiction
  - Middle men

- **Meso actors**
  - Categories
  - Collectivities
  - Organisations
  - Corporate groups
  - Networks
  - Hierarchies
  - Agriculturist
  - Farmhands

- **Micro actors**
  - Roles
  - Values

- **Resources**
  - Means of
    - Persuasion
    - Reproduction
    - Production
    - Violence
    - Surveillance
    - Mobilisation
    - Regulation

- **Coping strategies**
  - Establishing social identity
  - Investment
  - Diversification
  - Privatisation
  - Rent-seeking
  - Corruption

- **TIME**
  - Public expenditure
  - Liberalisation
  - Prices
  - Cash (men)
  - Effort (women)

**Individual players**

- Mega actors (macro)
- Mega actors (meso)
- Micro actors
5.1.2 Are the incentives reaching those who are meant to respond?

This question concentrates attention on a cultural meso system variable: the gender division of labour. Women produce subsistence crops and do such things as the weeding of cash crops. They already work extremely long days (one study estimated an average of 15 hours a day). In the rural areas cash is mainly controlled by men; in many areas even if the woman sells the goods she hands the cash to her husband (see Appendix 1).

5.1.3 If prices are unpredictable will peasant farmers "undiversify"?

Here the importance of time and the creation of expectations is raised. The chief concern of the peasant household is survival; if prices are unpredictable from year to year it is difficult for the farmer to make rational decisions based on market trends. In this environment the spreading of risks, including social investment, seems a more rational decision than responding to a price increase which may not apply to the next harvest. The extent to which increasing rural productivity depends on specialisation is a matter for further investigation.

5.1.4 How can improvements in technology be disseminated?

A large proportion of rural farmers use the hoe and no fertilisers, improved seeds or pesticides. Some don't even have hoes. The agricultural extension service is underpaid, often does not have finance for vehicles or petrol, and is unequally distributed throughout the country. "The bureaucracies are unresponsive to field-level needs and priorities." (Uganda - Agriculture: World Bank 1993). Figure 13 suggests a cultural clash between the training agricultural extension officers receive and the realities of rural production. For example observers report gender bias in the National Agricultural Research Organization. The question then arises can improvements in technology be disseminated to the right people outside the public sector, and if so how?

5.2 Coping strategies and patterns of investment

At the bottom of Figure 14 a number of coping strategies are identified. Obtaining food, cash etc in the circumstances in Uganda today is not just a case of entering the labour, land or product markets. It involves negotiating a whole series of relationships and possibilities in the political, cultural and social fields as well as the economic. During Uganda's crisis, which lasted from the early 1970s to the mid 1980's people developed a range of ways coping, the most important of which were withdrawal from the formal economy, privatisation of publicly-provided facilities, diversification of activities, and "sharing". These are discussed briefly below since they have implications for policies aimed at poverty reduction. Appendix 1 contains a few examples of coping strategies adopted by some of the particular vulnerable groups identified earlier.

5.2.1 Informalisation:

The urban informal sector in Uganda is thriving, as elsewhere in Africa, but not much is known about the extent to which activity is concealed from official statistics. Smuggling is still a feature of economic life, although it is not so widespread as earlier. Brett has recently described Uganda's rural areas as deprived and often dangerous places; what goes on there is at best semilegal and involves
Figure 14. Coping Strategies and Investment

SPACE

System
Cultural Social Economic Political
Macro laws institutions policies values
Meso institutions customary law local policies values
Micro roles values
Resources means of persuasion reproduction production violence surveillance & mobilization & regulation

Group players
Cultural Social Economic Political
Macro actors executive bureaucracy legislature judiciary extra-Government
Meso actors categories collectivities organisations corporate groups networks hierarchies

Individual players
Mega actors (macro)
Mega actors (meso)
Micro actors

Coping strategies
establishing social identity investment
diversification privatisation rent-seeking corruption

TIME

Economic decline
Shocks