Case study: group discussion with hawkers

The hawkers we talked to were in a part of the market with stalls of crockery, cutlery, pans, bags etc. The chief spokesman was an importer from Kenya and Tanzania and the Uganda Revenue Authority had confiscated some of his items due to failure to pay import tax - his plea to the Government was to reduce tax. He does not have enough money to live on due to large family size and dependants in the form of orphans, parents, and relatives. His income is very low and he is the only income earner in his family. He can get credit but fears indebtedness. He could have earned a lot but there is a problem with supposedly ex-soldiers who are chargeless for loans since they have no regular income. They were selling items at very low prices.

No hawkers' association has been formed because the RC officer was not co-operative. He has nowhere to turn in times of crisis. There was a general consensus in the group that business has got worse. They would like the Government to see that street hawkers have an appropriate designated place to sell from and that all of them pay tax. The amount of money paid for a stall is not high; construction and roofing are rare so that climatic conditions affect them. So they asked the Government to build permanent market structures where they can sell from.

Interview: A Ssewaya and P Bevan 5/9/94

In Masaka and Rakai there are some households headed by child orphans; by the time the AIDS victim dies the family is drained emotionally and financially. Young and poor orphans have fewer coping strategies; the majority depend on already established gardens and exchanging their labour for a little money and food. In urban areas orphans engage in hawking, petty trade, housekeeping, restaurant attending, and begging.

There is a strong feeling in the country against orphanages and it is Uganda government policy to avoid them as much as possible. However the wardens see them as temporary refuges. The government regulations are fierce and seem designed to make life difficult for the orphanages which play a life-saving role in caring for unwanted children and need help.
Appendix 2: More on time: the dynamics of poverty and inequality in Uganda

Vulnerability and variability

Household surveys measure poverty at a point in time but while some people are firmly stuck in poverty over a longer-period others are moving in and out of it over shorter or longer periods. People can fall into poverty as a result of a shock, or series of shocks to the household, or they can sink more gently into it. Once in they may recover fairly quickly or may find it difficult, if not impossible, to recover. One of the reasons for this is the interlinking of different aspects of deprivation. In this section we examine some of the processes which need to be understood if a dynamic view of poverty is to be taken.

Shocks are events which either occur naturally, or as the result of ongoing activities external to the economy, community, household or individual. They are not under the victims' control and may be damaging or beneficial. In either case they may propel the individual or household into a poverty or wealth cycle. Natural shocks include rapid onset shocks such as earthquakes and floods which cause crises that are usually temporary (although they may have long-run effects); the earthquake in Hoima in February 1994 is an example. Another form of shock is the slower onset emergency such as the famine in Kumi and Soroti in the middle of 1994 and the spread of water hyacinth in Lake Victoria.

International and local economic shocks such as sudden changes in input and output prices have profound impacts on households, particularly rural ones. The increase in the coffee price is a benign shock. Many households in Uganda have also suffered or are at risk of suffering from internal national or community level shocks, such as civil war, banditry, cattle-raiding, epidemics, evictions from areas gazetted as national parks, changes in government policy. Recent or current examples include the Kony rebellion, the Karimojong raids, and the cassava mosaic epidemic. The five changes of government between 1980 and 1986 made many bureaucrats vulnerable to imprisonment and poverty.

Some areas, particularly in the north and east, are at risk of multiple shocks as the following example shows. "Life has been disrupted in the remote small mud-and-wattle grass thatched village of Adugugudu Apasakamerere in Ongino sub-county, Kumi district, since late last year when the drought swept through the area like a wildfire. The drought came after the Karimojong rustlers in the late 1980s with ruthless efficiency grabbed most of the cattle formerly used for ploughing. Diseases and malnutrition completed the onslaught." (New Vision, May 27 1994). There was a general drought in 1991/2, while in 1994 the drought in Kumi and Soroti was compounded by cassava mosaic, baboons and warthogs. District officials attributed the famine in Kumi and Soroti to the 1993 crop failure, the influx of Karimojong herdsmen and their families early this year in search of pastures, water and food, big sale of the 1992 sweet potato boom instead of preserving some in the traditional way in anticipation of food shortage, and long drought. They also mentioned the ploughing handicap. The Iteso lost their cattle in the cattle rustling during the conflict in the area in 1987.

Households are at risk from individual-level shocks, such as an episode of illness, a death, divorce which can project them into a poverty cycle. The female-headed household interviewed in Kamuli (see Box) is one such example.

Longer-term uncertainty and variability are features of an unpredictable economic and political environment. For example, if prices of cash or food crops fluctuate wildly from year to year, growers are unable to plan in a rational way and some are likely to enter the poverty cycle as a result. They are also likely to choose safer, lower risk activities with a high probability of mild poverty than higher-risk/higher-return activities which might lead to acute poverty.

Areas or households which suffer repeated shocks get more and more vulnerable as time passes. "In recent years Uganda, like many other countries in the sub-region, has experienced famine
repeatedly. This has led some districts to have drastic reductions in food production, leading to acute food insecurity." (P Nkono-Luganda, New Vision May 27 1994)

Case Study: Rural female-headed household in Kamuli

The household consisted of 8 people, 4 of whom were children and 6 of whom were related. It was headed by the grandmother. They grew only maize and had no other source of income. She owns the land: about 1.5 acres and they use a hoe to cultivate it. She does not use fertiliser, pesticide or new seeds. She has no access to credit facilities, no-one to resort to in a crisis and no assets to sell. During the famine she earned cash working on other people's land. They eat two meals a day and get firewood from the surrounding bush. Two of the grandchildren go to school; they are in P2 and P4 and their mother pays the school fees. Three dropped out last year because they couldn't raise the school fees (note: this must have included 1 who is there now - it was the time when school fees were about due). The nearest health centre is 5 miles away and they use it if they can get transport. If they have money they prefer to use the pharmacy and if they fail to get transport they have to use the pharmacy. She inherited the land from her husband, who died, but when he was still alive she lived in the trading centre with him. Poverty is increasing and she can no longer manage to work properly as she can no longer dig. Her major problem is her grass house; she would love to have a modern one.

Interview: A Ssewaya and P Bevan September 1994

Vulnerability. There are people who, while they are not necessarily poor all of the time and in all of the ways suggested, are vulnerable to it. They do not have means to fall back on if a crisis occurs and these are the subject of Chapter 2. Others fall into poverty at specific times - eg in the hungry season or when school fees are due. Some of these people may be relatively well-off at times but live under the constant threat of losing everything. Pastoralists threatened by drought are one example; squatters liable to eviction are another.

"Growing out of Poverty" (p11) claimed that hospital admission records and field interviews suggest that malnutrition increases dramatically in the preharvest season. It is possible that many households fall below the poverty line for three months of the year. While families may sell food during the harvest season the same families have to buy it in later seasons when prices are considerably higher; inflation and intra-year vulnerability are seasonal (ibid p54). A PRA in Mbale found that the agricultural workload peaked at a time of food shortage, low cash income, and high exposure to illness (Goetz et al, 1994). In Karamoja the nutritional situation deteriorates during dry season as young adults migrate to more fertile lands with cattle leaving behind the weak - women, with young children, the sick and the elderly. Recurrent droughts plus insecurity are stopping herdsmen bringing the cattle back (GOOP p 24).

Cycles of poverty and wealth: People engage in economic activity through time and the cycle of investment, production, consumption and accumulation to be followed once more by investment can take place at different levels of wealth or poverty. An adverse or beneficial shock at any point in the system will have repercussions for later cycles. People can also get into spirals - heading either up or down. Government policies should be concerned to establish what projects people down to lower cycles and try to provide safety measures against this, and also how people climb up to higher cycles and facilitate this.

It is possible to identify other types of vicious cycle. One example is the malnutrition-
diarrhoea cycle which babies get into; in Mbarara a study found that malnourished children have a significantly higher risk of death from malaria, measles, diarrhoea and acute respiratory infections. Also childhood infections, especially diarrhoea, acute respiratory infections, and measles, predisposed children to malnutrition; loss of appetite leads to decreased intake which leads to decreased absorption. Conversely deworming can lead to decreased wasting. (UNICEF Situation Analysis. 1994 p49). A second example relates to environmental degradation: poverty related to land shortage leads to over-cultivation which leads to environmental degradation which leads to lower yields which leads to greater poverty.

In some African countries a coup-corruption cycles gets established. Favoured bureaucrats who may have misused office fear Commissions of Inquiry under the next regime. Accordingly they use corrupt practices to store up funds in case of another coup.

In the normal course of events throughout their life cycles people become richer and poorer depending on their circumstances. Successful development involves a general raising of standards of living but within that some people will become considerably richer and others will become poorer. In many cases the wealth of some depends on the maintenance or creation of the poverty of others. The "green revolution" in Asia has raised measures of GNP but it has also increased inequality, and arguably poverty for those who lost their land. It is important to examine the reasons why some groups are able to move out of poverty, while others remain there or become even more badly-off, focusing in particular on the extent to which, and conditions under which, growth for some people involves increasing poverty for others.

**Rural differentiation:** There is case study evidence from some parts of Uganda suggesting that growth, particularly in non-traditional food crops such as maize, may be accompanied by increasing rural differentiation and some people argue that, in some areas trade liberalisation, the move into food crops for sale and export, and the lack of improvements in productivity, are increasing "land-grabbing", wage labour and hence poverty. Food shortages, particularly during droughts, force the poor to sell labour to rich peasants. The more they face crises the more they become dependent on wage labour and while the farms of the rich are being attended to the farms of the poor are going to bush. (Bazaara: 1992 study of Mpunwe village in Masindi). A precedent for this type of behaviour can be found. The 1960s witnessed substantial evictions of tenants by landlords who wanted to occupy their land (ActionAid, Uganda, p8). The provisions for protection of customary tenure were overridden, particularly in the north, where people could use political influence to acquire land, and in Buganda. The rise in land values provided an incentive.

ActionAid Uganda, on the basis of a PRA exercise in Mityana, Kumi, Arua, Kibaale, and Bushenyi Districts suggests that it is reasonable to speak of 3 types of peasant: rich; middle and poor:

"The Rich Peasants have large tracts of land where they practice large scale farming (sometimes mechanised), hire labour, can afford using chemical inputs and usually do not get directly involved in the day-to-day farm activities. They sell in bulk and realise large profits. They have regular surpluses above the needs of simple production and are able to combine the returns from labour with those of small scale exploitation such as renting out land or hiring wage labour."

"The Middle Peasants have limited access to the factors of production. They normally rely on family labour but can also afford hiring labour. The volume of production is less than that of the rich peasants and they participate in the day-to-day running of the farm activities and have full control of the labour processes. ... The agricultural tools used are simple and are owned by the family. The hand hoe and panga are a common phenomenon."

"The Poor Peasants are those farmers who have very limited access to a combination of factors of production. The resource poor peasant farmer lives in a vicious circle of poverty. Whatever is produced is simply for subsistence and sometimes the harvest is sold to meet basic home
requirements. ... He cannot afford to rent implements of labour or land. This results in the poor peasant to enter into relationships with the middle and/or rich peasant for survival. These relationships normally result in exploitation." (ActionAid Uganda REF p3)

In Masindi Bazaar distinguished between capitalists and wage labourers and three types of peasant: rich, middle and poor. The capitalists gain income from diverse sources including agriculture, shops in Kigumba, maize mills, pit-sawing and hiring out ox-plough and tractors. The wage labourers get most of their income from the sale of labour to rich peasants and capitalists, and sometimes middle peasantry. They have no access to land or instruments of production except as "borrowers" (they have to give chickens, beer, agricultural produce and labour whenever it is required). Rich peasants operate partly with family labour and partly with wage labour and labour by poor peasantry. Middle peasants mostly use household labour and communal labour and supplement their income by brewing waragi and kwete. Poor peasants survive by the partial sale of labour to capitalists and rich peasants and family labour. The capitalists and rich peasants have enough resources to act as an effective force in the maize market. During the harvest period prices fall and the poor, who are desperate for cash, sell at low prices, usually to the rich. They store the maize and sell it when there is scarcity, or they try to act as commission agents for long distance produce dealers. When the poor suffer acute health problems they sometimes resort to selling pieces of land.

**Intra-generational transmission of advantages and deprivations:** Advantages and deprivations are handed down through the generations. For example poor parenting may be associated with lack of access to education which in turn exposes adolescents to multiple economic hardships when they can't find employment. An HIV+ mother has a 30-40% chance of transmitting the virus to her child. " Of non-infected children born 18% will be orphaned or die of causes which could have been prevented if mothers had been healthy." (UNICEF, 1994 p63). Children born to women with secondary or higher level of education have half the risk of dying under age 5 compared with children of women with no education (ibid, p24). Many of the current political elite are the children of a previous elite.

The fact that many adults raising families today are suffering from post-trauma psychological

**Unconvertibility of poverty dimensions:** The five dimensions of deprivation tend to be highly correlated and cannot break out of the cycle of deprivation. Rich people in political office to the landowners and rich in the village level with

Land is a barrier for many who cannot participate in the rural development of their community. They experience frustration and disempowerment in their daily lives. The personal knowledge and skills that people acquire can be transferred to others, but not economically. The result is a "half-baked" (Nebhdy, 1994) of leaders to have knowledge in literacy and numeracy. Lack of information, the inability to take a stand and being cheated with a lack of finance leads to high marriage and high fertility.

Traditional
extent women and adolescents.

Public insecurity, for example war and cattle-raiding often lead to displacement and poverty. Then survival becomes more important than education. Natural disasters like drought and famine affect school attendance. In Kotido and Moroto where drought is a recurrent problem school attendance is strongly linked to availability of food at school (UNICEF, 1994 p20). Rustlers and drought have had a big impact on education in Kumi and Soroti. The headmaster of one primary schools said emaciated half sleepy pupils can't concentrate. The teachers often have 1 meal every 2 days because salaries are often delayed. At Kanapa primary school out of 315 children enrolled at the beginning of the year only 185 still attended in May; many parents cannot pay the school fees. At Akide primary school out of enrolled 300 only 75 still come to school and Kabosi primary school only has 48 out of 200 enrolled pupils still attending. (New Vision May 27 1994 p16).