

**POVERTY AND POVERTY ALLEVIATION PROGRAMMES****- THE EXPERIENCE OF UGANDA -****BY W. KISAMBA-MUGERWA.****EXECUTIVE SUMMARY**

The paper addresses itself on the experience in Uganda regarding poverty and poverty alleviation programs. Uganda's geographical setting is characterised by being a landlocked country astride the equator and bounded by Sudan in the North, Kenya in the East, Tanzania and Rwanda in the South and Zaire in the West. It is composed of a central raised undulating plateau which moderates its temperatures. Over 70 per cent of Uganda's arable land (142,00 sq km) is of sufficient fertility for agricultural production.

Its population has risen steadily from hardly 2.5 million in 1911 to over 16.6 M in 1991 at an average growth rate of about 2.5 per cent though between 1959 and 1989 the rate rose to 3.8 per cent. The majority of the people live in rural areas. The urban population forms 11 per cent and live in the city, the main towns and trading centres of more than 2,000 people.

Uganda is an agricultural country which contributes 60 per cent of the GDP and 80 per cent of the total value of exports largely attributed to improvement in world coffee prices which contributes 95 per cent of exports. The Uganda per capita income declined from 290 Us dollars in 1979 to about 240 dollars. The GDP growth rate are estimated at 5.9 between 1960 and 1970, (-) 0.4 per cent between 1970 and 1979, (-) 9.7 per cent between 1978 and 1980. It was estimated at 6.6 per cent in 1989 though it is currently estimated at 4.4 per cent. The economic declines of the 1970s and early 1980s were primarily due to internal political factors better than external economic stocks.

The social dimensions adjustment programmes initially launched in 1981 have been mainly centred on bold monetary and fiscal measures in making the Uganda shilling exchange rate more realistic and the reduction of price distortion in the economy. These measures did not go very far as they were implemented in piece meal and worse still the civil armed struggle that dominated the country up to 1980 distorted the programmes.

The NRM government which came to power in 1986 did not seriously consider Structural Adjustment programmes until in 1987. In light of its need to build an integrated self-sustaining economy, the government launched a rehabilitation and development plan (RDP) 1987/88-1990/91. A macro-economic policy package necessary to ensure successful project implementation was put in place with a support of the IMF and the World Bank.

Among the social dimensions adjustment package Uganda has been adopting all sorts of monetary and fiscal measures to make a Uganda shilling realistic; offering incentives to farmers to produce more cash crops by offering them attractive prices for their produce, introducing liberal marketing policies; relaxing foreign exchange control regulations, launching poverty alleviating projects for orphans and widows in terms of health, sanitary measures and income generating projects, civil servants retrenchment, to remain with a small but well remunerated civil service; reducing government ministries and adjusting national budgetary allocation to social services.

The trend indicates that there has been a great rise in the producer prices but they could not keep pace with the rate of inflation which has kept the Uganda shilling on continuous devaluation.

The urban population especially the civil servants and the employees who earn fixed wages could not keep pace with the devaluation of the Uganda shilling, leaving them with less and less purchasing power. Urban poverty therefore seems to have comparatively worsened.

The women remain a socially created vulnerable group in Uganda without any source of income. Worse still many of them remain illiterate and look after orphans especially in the war ravaged areas. Furthermore, education remains inaccessible for many children due to its cost.

The government had endeavoured to attack the causes of poverty and to eliminate its symptoms as noted above. NGOs have equally participated by launching various poverty alleviating projects both in rural and urban areas. United Nations agencies and friendly countries have given some assistance in form of grants and loans for selected projects affecting vulnerable groups. Uganda has however, opened many fronts on poverty alleviation, making funding of the programmes quite difficult.

The problem of poverty in Uganda has been mainly caused by multiple factors including the poor economic structure. Population about 89 per cent live in rural areas. The prices for the produce such as coffee continue to decline and the value of imported goods is ever on the increase. The import bill therefore remains very high. Uganda has still poor technology in its production in agriculture and many of the agro-based factories in which it could have advantages still produce at low capacity. The population growth is one of the highest in the least developing countries. As if all those are not enough, Uganda has been engaged in civil strife almost from the time it attained Independence.

**POVERTY AND POVERTY ALLEVIATION PROGRAMMES: THE  
EXPERIENCE OF UGANDA**

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**1. Geographical Background:**

Uganda lies astride the Equator within Latitudes 4° 12'N and 1° 29'S and Longitudes 29° 34'E and 35° 0' E. It is a landlocked country bounded by Sudan, in the North; Kenya, in the East; Tanzania and Rwanda, in the South; and Zaire in the West. It is 1280 km from the nearest sea-port, Mombasa, on the Indian Ocean. The boundaries cover an area of about 241038 Sq. Km. of which 197,096 Sq. Km. are land surfaces and the rest is open water, marshy swamps and rivers. Of the land surface about 142,000 Sq. Km are regarded as arable land.

Uganda is an undulating country and two main mountain Massifs Elgon in the Eastern and Rwenzori in western mark the boundaries. Below the Rwenzori mountain range are the slip low sided low lands making Uganda's part of the greter western rift valley. They enclose lakes Albert, George and Edward. The soils are mostly of lateritic origin with fertility varying from very fertile around lake Victoria to the very infertile soils of Karamoja.

Uganda is blessed with a climate suitable for agricultural production, therefore, she hardly ever experiences (except in very isolated cases) the famine conditions which are so rampant in many parts of Africa. Her mean annual minimum temperature lies between 10°C and 20°C and 32° C while the mean annual maximum temperature is 22°C and 32°C, Its mean annual rainfall in Uganda varies from less than 560mm in parts of Karamoja to over 2,160mm in Ssesse Island -

Lake Victoria. Uganda has a varied vegetation pattern. Almost all food and cash crops of the world can be grown successfully in at least one of the regions in Uganda.

## 2. Demographic Features

### Population

Table: 1 Population of Uganda 1911 - 1991.

Year	Population ,000	Annual growth rate	Sex-ratio
1911	2,463	-	-
1921	2,848	1.5%	-
1931	3,525	2.1%	-
1948	4,918	2.0%	-
1959	6,536	2.5%	100.00
1969	9,535	3.8%	101.8
1980	12,637	2.7%	98.2
1991	16,583	2.5%	96.1

Note: Estimates from 1911-1931 were very crude.

Sources: i) Population Census Reports (MPED)  
ii) Children and Women in Uganda. UNICEF, 1989.

Table I, reveals that the population of Uganda has risen steadily from 2.5 million in 1911 to 16.6 million in 1991.

The growth rate also rose from 1.5% in 1911 to a very high 3.8% in 1959 - 69 period and then declined sharply to 2.7% (1969 - 80) and lastly to 2.5% in 1980 - 91.

The sex-ratio (Male: Female) was 101.8 (Male: Female) in 1969, but fell to 96.1 by 1991 mainly due to the effects of violence following political instability which lead to great loss of life mostly of men.

### 3. Pattern of Settlement

While the national average population density of 64 persons per sq.km. seems to indicate an abundance of land there are great inter-region variations in the statistics. In some parts of the country such as Kabale district, Soroti and on the slopes of Mt. Elgon the population density is very close to 300 persons per sq.km. In the fertile crescent, around Lake Victoria it is above 156 persons per sq.km. while in other parts of the country it does not reach 40 persons per sq.km. 89% of the people live in the typical rural areas.

The urban population which forms 11% of the total lives in the city, the main towns and trading centres with at least 2000 persons each. The two most important urban centres of Kampala city and Jinja industrial township accounted for over 65% of the total urban population. A very rapid Africanisation of the urban areas took place in 1973-5 period following the voluntary departure of some European and the wholesale expulsion of Asians from the country.

It is estimated that every one Asian who left Kampala was replaced by three to four Africans who moved from the rural areas and entered the city and its suburbs. Thus the very rapid growth rate of the urban population of over 4% annum in the 1969-80 period was partly due to Africans moving from the country side into towns and partly due to changes in boundaries which engulfed peripheral areas.

The tendency of youths and other able bodied people to prefer urban to rural ways of life and employment, and all its attendant problems, were a general phenomenon in Africa.

#### 4. The Economy

Uganda is an agricultural country and 89% of the population lives in the rural areas, about 80% of the economically active population are employed in agriculture. At least 60% of the GDP and 80% of the total national export earnings have always been contributed annually, by agriculture. Tables 2 and 3 show the basic structure of the economy by sector and the relative contribution of agriculture and individual crops to the total national exports.

Table 2: GDP at factor cost, at constant 1987 prices (Ushm)

Sector	1986	1987	1988	1989	1990
Agriculture	125,033	131,524	139,655	148,619	153,707
Mining and Quarrying	28	34	33	33	58
Manufacturing	6,576	7,683	9,430	11,233	12,072
Electricity/Water	973	927	955	1,020	1,102
Construction	5,724	7,515	8,315	8,775	9,154
Commerce	27,105	29,611	33,206	36,620	38,859
Transport/Communication	7,732	8,185	8,745	9,359	9,409
Community Services	19,373	20,058	21,322	22,714	24,344
O/O Dwellings	5,021	5,157	5,296	5,439	5,586
GDP	197,465	210,694	226,957	243,812	254,291
% growth	6.7%	7.7%	7.4%	4.3%	4.3%
GDP/capita (Ush)	13,456	13,971	14,651	15,322	15,552
% growth	3.8%	4.9%	4.6%	1.5%	1.5%
Monetary GDP	119,646	129,109	140,632	152,316	159,766
Non Monetary GDP	77,820	81,585	86,325	91,497	94,525

Source: Statistical Bulletin No. GDP/2.

Table 3: UGANDA'S EXPORTS AND THE CONTRIBUTION OF AGRICULTURE, COFFEE AND COTTON

Year	Value of exports (£'000)	Value of agric. exports (£'000)	Contribution to the total export value by:			
			Agriculture %	Cotton %	Coffee %	Cotton and Coffee %
1925	5,100	5,000	99	94	3	97
1930	2,000	1,900	95	83	.8	91
1935	3,600	3,500	95	81	6	87
1940	5,200	4,900	95	75	9	84
1945	9,900	9,600	97	72	12	84
1950	28,700	27,400	95	62	29	91
1955	41,900	40,200	96	42	48	90
1960	41,600	36,000	86	40	41	81
1965	62,700	51,900	83	27	49	76
1970	97,700	72,298	74	18	51	69
1975	134,400	131,908	98	6	90	96
1980	129,100	129,100	100	1	97	98
1981	348.3	346.1	99.36	1.8	98	99.76
1982	354.8	354.1	99.80	0.90	96.9	99.37
1983	373.8	371.7	99.438	2.99	92.64	95.61
1984	391.9	385.3	98.315	3.08	91.75	97.91
1985	370.5	366.2	98.839	3.62	94.06	97.68
1986	406.9	402.2	98.844	1.20	96.87	98.07
1987	320.2	317.3	99.09	0.31	97.15	97.46
1988	272.4	269.5	98.935	1.13	97.02	98.15
1989	276.3	272.2	98.516	1.44	95.40	96.84

Source: i) Statistical Abstracts  
ii) Background to the Budget 1984/85, 1985/86, 1991/92.

Over the year, their relative position has been very dominant. This is attributed largely to Coffee whose proportion to total export value rose from 50 percent in 1960 to 52.8 percent in 1966 and then to 57.7 percent in 1970 and 73.2 percent in 1974. By 1983 the proportion rose to 93 percent. A sharp increase in Coffee's contribution was due mainly to improvement in world coffee prices which increased value of Uganda coffee. Cotton and copper production on the other hand declined sharply in that period, whilst tea production and earnings increased only marginally. The output of other crops such as tobacco, sugar and cocoa either stagnated or fell. Since 1986, the average percentage contribution is lower than the previous years. This is attributed to the NRM government efforts in encouraging export of non-traditional crops in attempt to diversify export crops.

The World Bank gives an average per capita income as 290 US dollars for 1979 and 240 US dollars for 1982. The GDP growth rates are estimated at 5.9 percent between 1960 and 1970, (-) 0.4 percent between 1970 and 1979, (-) 9.7 percent between 1978 and 1980. The trend only changed from 1982 though not without variations. Using the 1987 price index the percentage growth rate of total GDP and per capita GDP was estimated as shown in table 4.

##### 5. The Industrial Sector

Uganda's Industrial Sector has always been small and its contribution to the GDP has never exceeded 10% of the total in spite of the heavy investments of 1960s. Much of the industrial activity is in the primary processing of

agricultural products such as cotton ginning and coffee curing and in food manufacture such as tea, sugar and grain milling. The large-scale manufacturing includes, textiles, wood products, paper products, construction materials, cement and chemicals. This important sector was growing at an annual rate of over 6% between independence (1962) and 1970 but declined sharply in absolute and relative terms during the 1971-80 period, registering an average rate of growth of - 10.7% per annum. The trend of decline was checked in 1981 and revised in 1983-4 period through the introduction of a number of economic measures.

Table 4: Annual growth rates, both of total GDP and of GDP per capita.

Year	% Growth rate	
	Total GDP	Per capita GDP
1981		
1982	6.0	3.2
1983	7.5	4.9
1984	- 6.5	-8.1
1985	2.0	0.4
1986	0.6	-2.0
1987	6.7	3.8
1988	7.7	4.9
1989	7.4	4.6
1990	4.3	1.5

Source: Statistical Bulletin No.GDP/3

## 6. The Recovery Programme

The determination of the people of Uganda to halt and reverse the declining trend in the economic development of the nation is amply illustrated by the bold monetary and fiscal measures introduced since 1981 which included making the exchange rate more realistic and the reduction of other price distortion in the economy.

The promising start made in 1981 was very seriously compromised by the adverse security situation of the 1983-6 years.

When NRM ushered into power in 1986 it inherited an economy in ruin and disarray. In light of the need to build an integrated self-sustaining economy, the government launched a Rehabilitation and Development Plan (RDP) 1987/88-1990/1991.

A macro-economic policy package necessary to ensure successful project implementation was put in place with a support of the IMF and World Bank. The discussion of effects of these various measures and the various problems encountered in implementing the programmes form the main thesis of this paper.

## 7. Uganda's Poverty Scenario

### Poverty Indicators

Poverty is basically the inability to provide oneself with the basic requirements for living a descent life. The requirements are both "goods" and services: Goods - such as food, clothing; and services like medical attention, education and housing. Poverty is in both absolute and relative terms. "Absolute" refers to the minimum amount and quality necessary

*employment level*  
*level* *general*

for life. And "relative" refers to where a country or a person or group of people stand relative to others on the poverty scale.

Uganda is considered to be one of the 12 poorest and least developed countries of the world. Table 5 shows some of the indicators related to poverty as they relate to Uganda:

Table 5: Poverty Indicators

Indicator	Value of indicator
Per-capita Gross Domestic Product	= US. 250
Child mortality rate 5 years	180
Life expectancy at birth	49
Birth rate (per 1000)	52
Annual Population Growth (80-'91)	2.5%
Persons per Hospital (1990)	200,000
Persons per Doctor (1990)	23,000
Rural Population (1991)	89%
Non-monetary Contribution	
To total G.D.P. (1990)	44%
Adult literacy	
Total fertility (1980-90)	7.4
Population under 13/65	49

The problem of poverty in Uganda has been mainly caused by the poor economic structure, its mismanagement, internal armed conflicts; and some other external factors. It was created by the British colonial powers and continued with by the subsequent post-colonial governments which inherited it. It is a structure based overwhelmingly on agricultural production involving a very high proportion of subsistence production and dependent on two main cash crop whose products are exported in a raw unprocessed form in a highly volatile export markets. In addition to the poor structure there has been gross mismanagement for over two decades including use of backward

technology, erosion of confidence among investors; outflow of investible capital and trained personnel, the destruction of much of the necessary infrastructure and the run down of industrial plants.

#### 8. The Vulnerable Groups

By vulnerable groups we mean the people as a group who are likely to, and indeed do; fall victims to any adverse condition occurring because they are disadvantaged naturally, socially or otherwise. A number of groups can be identified:

Rural-urban Dichotomy - The extent of poverty in Uganda can be estimated by examining the pattern of household expenditure as given by the results of household Budget Survey, 1990.

Table 6: Frequency and Percentage distribution of person by monthly Household Expenditure in Uganda

Monthly Household Expenditure class (shs.'000)	Urban Percentage	Rural Percentage	Total Percentage
0 - 25	17.5	41.9	39.24
25 - 50	28.7	33.8	33.24
50 - 75	24.5	12.6	13.92
75 - 100	9.8	5.5	5.96
100 - 125	6.5	2.5	2.88
125 - 150	5.1	1.9	2.26
150 - 200	3.5	1.2	1.43
200 - 300	1.7	0.2	0.33
300 and above	1.2	0.2	0.34
Total percentage	1,690,191	14,027,54	15,726,735

Table 6, shows that 71 % of the urban dwellers live in households with a household monthly expenditure of less than 75,000/=. The equivalent figure for rural areas is 88%. But if we look at the actual number of people under similar conditions the rural situation becomes more pathetic. For the urban area there are 1.2 million while in the rural area the corresponding value is 12.3 million, leave alone some districts which are not covered in the household survey.

#### Dependent Group

These are people in the 0-15 years of age and over 65 years age group. Table 7 shows that Uganda has a young population with about 49% of its people in the 0-15 years age group. More than 30% of this is under 5 years old. This age group is composed of dependants who are very vulnerable to any factors which adversely influence the degree and quality of attention they receive. At the young age of 0 - 5 years health care is the area which requires most attention and its quality - or lack of it leads to very curious consequences.

Table 7 : Depending Group (0 -15, 60+) Age groups

Age group	1969 Census	1980 Census	1988
0 - 5	19.45	19.40	20.45
5 - 9	14.30	15.20	15.50
10 - 15	11.75	12.70	13.00
60+	<u>5.00</u>	<u>3.45</u>	<u>3.40</u>
Total	50.50	50.75	52.35

Regarding child mortality in Uganda, out of 1,000 births about 101 infants die before the 1st birth day; and an additional 88 die before they are five years old. The incidence of child mortality varies with the residence (urban/Rural), geographical area and the education of the mother. The Uganda Demographic and Health Survey of 1988/9 shows these relationships and table 8 shows the 1973/82 period and an increase in child mortality rate mainly due to the deterioration and destruction of health infrastructure. But when the health services improved particularly with programmes aimed at prevention of diseases among children the death rate fell. The net effect was a decline of 11% in infants, 9% in childhood stage and overall 0 - 5 years fall 101%. The most successful of such programmes was the Immunisation programme started in October, 1983.

At the moment it is estimated that at least 70% of all children in Uganda have been immunized.

#### The Women

The women remain a socially created vulnerable group in Uganda in whatever terms they may be defined and analysed. Failure to improve their quality in terms of education and income has a negative multiplier effect to the society reflected in a high rate of mortality.

According to table 8 hardly 9.1 per cent of rural mothers and 29.1 percent of urban mothers see a doctor. The situation is even worse among mothers with no education at all and unfortunately they are the majority. This tally with the child mortality which is highest among mothers with no

education at all. See table 9.

While planners and policy makers would wish to make a clear distribution between vulnerable groups and poverty groups, it becomes pragmatically a problem in a situation where everyone including top civil servants remain vulnerable and the moment they would be out of service they would also easily become poor.

Table 8: Mothers' Treatment during Pregnancy

	Pre-Natal Care			Assistance at Delivery		
	None	Saw a doctor	Under a trained nurse	None	Doctor	Relative
<u>Resident:</u>						
Urban	3.7	29.1	67.8	4.7	12.2	10.9
Rural	12.7	9.1	78.2	18.8	1.8	38.4
<u>Mother's Education:</u>						
No education	17.1	6.8	72.1	26.3	1.1	40.0
Some primary	10.1	10.3	79.6	13.3	2.9	37.8
Completed Primary	3.7	17.0	79.3	7.4	3.5	27.6
Senior	3.0	23.0	73.7	4.4	8.1	17.5
Higher	1.0	44.4	54.6	5.9	16.4	2.4

Source: Uganda Demographic and Health Survey 1988/1989  
Ministry of Health.

Table 9: Child Mortality

Background characteristics	Age Group		
	0 - 1	1 - 4	0 - 5
1) <u>Residence</u>			
Urban	103.1	67.6	163.7
Rural	106.6	94.0	190.6
2) <u>Education:</u>			
No education	116.6	92.6	198.4
Some primary	103.6	102.6	195.4
Primary completed	85.2	74.8	153.6
Middle	88.1	55.5	138.6
Higher	73.0	26.0	97.1
Total	106.3	91.6	188.2

Source: Uganda Demographic and Health Survey 1988/1989 MOH.

#### 9. The Effect of SDA on the Rural and Urban poor

##### The Rural Poor

About 80% of the rural people depend on agriculture for the food supplies and cash income earnings. Cash crop production constitutes about 4.5% of the total agricultural

output and it is the chief source of cash income for most farmers.

The most important cashcrops are mostly exported. They are coffee, cotton, tea and tobacco. Given such a narrow base as the source of cash income, the impact of the structural adjustment programme on the prices paid to the farmers is critically important to them.

Among the items in the structural adjustment, package has been to offer incentives to farmers to produce more cash crops by offering them attractive prices for their produce. Table 10 shows how the crop prices have been changing since 1982.

Table 11 shows a break down in the distribution of the coffee proceeds between coffee farmers and the government. The tables show that there has been great rises in the official producer prices for all the cash crops since 1982. Coffee prices rose by a factor of 120 between 1982 and 1988 while those of cotton, tobacco and tea rose by a factor of 400, 410, and 350 respectively. These rises have to be seen in the light of the very high rate of inflation which has been the order of the day following the continuous devaluation of the Uganda shilling.

The rate of inflation peaked in 1988 at 273.3 percent. The general trend indicates relative control, though not without short term upsets. It had been reduced to about 35% per month. The net effect of inflation following the devaluation and government deficit spending on the cost of living is that the cost of living index for the poor rose to an unbelievable figure of 18,196 (base 81 = 100) between 1981

Table 10 MINIMUM PRODUCER PRICES FOR SELECTED EXPORT CROPS: 1982-90

(New Uganda - Shilling: per Kilogramme)

EFFECTIVE DATE	COFFEE		TOBACCO		SEED COTTON		TEA	COCOA
	Robusta (Kiboko)	Arabica (Bugisu Grade P)	Blue-cured grade TOI)	Fire-cured Grade 1	AR	AR	(Green leaf)	
7 Jun 1982	0.50	0.93	1.00	0.67	0.4	0.08	0.10	0.30
9 May 1983	0.60	1.02	1.15	0.75	0.5	—	0.15	0.40
1 Jul. 1983	0.80	1.40	1.50	1.00	0.6	—	0.25	0.80
21 Dec. 1983	1.00	1.76	2.00	1.39	0.9	0.5	0.40	1.30
1 Apr. 1984	-	-	-	-	-	-	0.45	-
Jul 1984	1.30	2.30	2.20	1.50	1.20	0.62	-	1.30
Nov. 1984	2.10	3.50	3.30	2.20	1.80	0.90	0.70	1.90
20 June 1985	2.70	4.60	5.90	3.90	2.20	1.00	0.80	2.20
22 Dec. 1985	4.70	8.30	8.00	5.60	3.20	1.50	1.20	4.20
27 May 1986	8.50	16.92	10.00	7.00	4.00	2.00	1.40	5.50
May 1987	24.00	43.66	38.00	25.00	19.00	10.00	5.00	22.00
Jan. 1988	29.00	50.00	90.00	55.00	32.00	18.00	10.00	30.00
July 1988	60.00	110.00	220.00	117.00	80.00	42.00	20.00	75.00
Mar. 1988	60.00	110.00	250.00	140.00	80.00	42.00	20.00	-
Jan. 1989	60.00	110.00	410.00	210.00	130.00	65.00	35.00	-
May 1990	60.00	110.00	410.00	210.00	160.00	65.00	35.00	-

Source: Ministry of Co-operatives and Marketing, Ministry of Agriculture, Marketing boards and National Tobacco Corporation? B.A.T. (1984).

and 1988 for food which takes 63% of the total household monthly expenditure.

The plight of these farmers could have been lessened if a fair price for the farmers crops were paid. Table 12 shows that a coffee farmer receives about 7.6% of the world market price and the government receives 92.1% through "Explicit Tax" (i.e. export tax) and "Implicit Tax" (i.e. differential between the Official and the Market Currency Exchange Rate).

Table 11: The distribution of Proceeds from Coffee Sales

Year	86	87	88	89	90
World Price U.shs (Kg)	3.30	2.00	2.10	1.20	0.98
Producer price Ushs. (kg)	15.8	44.4	111.1	111.1	180.6
% of world price	7.6	21.8	11.0	15.4	26.5
Implicit Tax	80.6%	46.7%	74.2%	79.1%	44.5%
Explicit Tax	11.5%	28.6%	13.9%	2.6%	11.0%

Source: Background to the Budget 1991/2.

### The Urban Poor

There has been a sharp upward swing in the cost of living index for all income groups between 1981 and 1990 in the urban area of Kampala. The overall change over the 1981-90 the weighted average index rose by 13,200% for the low-income group and 10,635% for the middle-income group. The inter-item change were almost the same for food - 13,741% since food constitutes such a high proportion of the group expenditure.

Thus the urban poor have suffered a great deal through the SAP. They have tried (and in many cases with success) to overcome the problem by sacrificing quality in feeding, clothing and shelter.

The misery of the poor urban worker has been worsened by the unsatisfactory wage/salary structure and rates. Whatever salary/wage rate increases made, they are not adjusted fast enough to match the galloping inflation and are most inadequate.

#### 10. Response to Poverty Situation

The problem of poverty has received a lot of attention from several quarters. The concerned organisations have had a number of approaches. The first was to attack the causes of poverty. The objective under this approach is to enable the poor communities/individuals to move out of the poverty trap by providing them with the necessary means to do so. The second approach has been to eliminate the "symptoms" of poverty.

##### The Government Role

The government has used both approaches. In its attack to poverty the government has created employment opportunities to the unemployed or underemployed. In the rural areas the emphasis has been placed on the promotion of increased agricultural output for home consumption, local and export markets. The crop diversification programme including the new Barter Trade arrangement has widened the agricultural base as a source of cash income. To support expected expansion, liberal marketing policies have been adopted opening the market to private entrepreneurs so as to improve marketing efficiency and introduce a reasonable degree of competition among produce dealers so as to get higher prices to the farmers and to improve services.

For urban areas employment opportunities have been

created through various projects many of which are involved in building and construction work.

The government has also created the right climate for the investors - local and foreign. It enacted the Investment Code in January 1991 for the purposes of easing and clarifying the regulations on investment and to provide incentives to attract investment. The Act provided for an Investment Authority to facilitate the process of investment at one spot.

By returning ex appropriated departed Asian Property to their owners confidence is being built. It is expected that many industries will be built up thereby creating new jobs for the people most of whom are the poor.

In the second approach the government is spending a lot of money in its Annual Budget on the provision of social services. Tables 12 and 13 show the Development Budget and Recurrent expenditure for a selected number of ministries for 1983-1989 period. Education and Health take the biggest individual share for the Recurrent Expenditure while Agriculture (and Animal Industry) and Housing lead in the Development Budget.

#### Education

Government has supported several types of educational institutions. It is the government's aim to achieve "Education for All" by 2003. The number of the educational institutions from 1980 to 1989 and intake doubled in the primary schools while that of the secondary schools trebled during the period. The female/student ratio rose from 40.9% to 45.0% in the primary schools and from 28.9% to 35 in the secondary schools.

Table 12: DEVELOPMENT BUDGET BY MINISTRY: 1983/84 - 1989/90

MINISTRY	(By % of TOTAL)						
	1983/84	1984/85	1985/86	1986/87	1987/88	1988/89	1989/90
Agriculture	2.35	2.40	9.74	7.45	1.61	3.33	2.90
Animal Ind.	3.77	5.82	5.49	4.04	3.55	5.00	0.52
Education	3.68	3.81	5.10	9.20	2.08	2.68	2.23
Health	1.76	3.73	0.82	1.44	0.19	2.43	1.27
Co-operatives	1.44	1.41	0.94	2.80	0.56	1.17	1.02
Housing	5.11	5.15	3.26	4.32	23.74	2.45	2.79
Women Dev.	-	-	-	-	-	0.10	0.08
Youth, Culture & Sports.	0.2	3.56	1.49	2.40	0.25	0.38	0.16
TOTAL	18.31	25.88	26.84	31.8	32.73	18.04	11.00
Value (Mil.)	30.2115	97.8005	190.4268	711.3978	3063.1	2,177.95	2,361.59
National Budget (million)	165.0	377.9	709.5	2,237.1	9,358.7	12,072.9	21,469.0

Table 13: RECURRENT EXPENDITURE BY MINISTRY 1983/84-1989/1990

MINISTRY	1983/84	1984/85	1985/86	1986/87	1987/88	1988/89	1989/90
Agriculture	2.25	1.69	0.96	2.10	1.63	1.65	1.15
Animal Ind.	1.18	1.31	0.87	1.64	0.95	1.23	0.84
Education	20.95	15.76	12.76	11.06	17.34	13.68	12.19
Health	4.47	3.72	2.14	2.25	2.29	3.14	3.24
Youth, Culture & Sports	0.55	0.73	0.44	0.59	0.31	0.23	0.74
Co-operatives	0.4	0.35	0.21	0.28	0.29	0.36	0.29
Housing	0.94	0.40	0.29	0.56	0.31	0.37	0.24
Women in Development	-	-	-	-	-	0.02	0.09
Energy	0.02	0.01	0.01	0.14	0.08	0.13	0.12
Total	30.76	23.97	17.68	18.62	23.2	20.81	18.88
Value (Mil)	185.5	424.5	730.8	1,494.5	6,311.56	12,142.78	19,922.648
TOTAL NATIONAL BUDGET (Millions)	602.9	1,771.0	4,133.2	8,026.5	27,205	58,350.7	105,522.5

Source: Ministry of Finance.

### Health

The public health system established in 1950/60 period was virtually destroyed during the turbulent years of 1970s and early 1980s. This led to, the rise in infant mortality rate from 92 of 1973-77 period to 115 in 1978-82 period. The trend has been reversed to 101 as the effect of the economic recovery programmes.

Preventive  
Health  
Care

Preventive health care has received a lot of support in form of child immunisation against the six main killer diseases, public health hygiene, pre-natal and anti-natal care for mothers, provision of safe water, sewerage and sanitation facilities. Government is planning to concentrate its resources in these areas. Curative health care has also received support. It was traditionally a free service at the government owned health units. But, plans are already underway to introduce cost-sharing in these services.

### Housing

Increased urbanisation, high population growth rate and destruction and neglect of the years of conflict have contributed to the present sad housing situation. In Kampala city 68 percent of all households live in one-roomed accommodation which is nearly the same with Jinja's 65 percent.

Government has come up with a three year Poverty Alleviation Programme and Social Cost Adjustment (PAPSCA) whose objective is to reduce poverty and mitigate the consequences of microeconomic adjustment measures on certain vulnerable sectors and groups in society.

The government's target groups for assistance over a three year period, include women/widows, children/orphans, the disabled, the urban poor, retrenched civil servants and residents of 12 districts which have lagged behind the rest in economic and social development and which also happen to have suffered from ravages of recent internal conflict. With respect to this target group, PAPSCA is to assist with the task of primary school reconstruction because school building is a heavy burden on the parents in those districts.

#### Other Actors

##### (a) Non-Governmental Organisations.

Non-Governmental organisations have played very important roles in poverty alleviation programmes. This is particularly so in the fields of education and health care. Out of a total of 81 hospitals 33 belong to non-government organisations and a big proportion of the better government aided schools are owned or were started by non-government organisations particularly Missionaries.

##### (b) United Nations Organisations

Most of the agents of the UNO have a programme running. Most of them are related to poverty alleviation and its related field.

i) World Food Programme

Runs a Basic Education Integrated into Rural Development Programme which included provision of free food to schools for the purposes of improving the diet of the students; introducing nutrition and hygiene education in the schools.

ii) UNICEF

Runs (a) The immunisation programme

(b) The Control of Diarrhoea Diseases Programme.

iii) FAO: Specialises in Agricultural Fields.(c) Friendly Governments

Friendly governments support programmes run either by Uganda government or in conjunction with them. The list is endless.

(d) The Vulnerable Groups.

1) The rural poor: The rural poor have reacted to the unfavourable agricultural prices by shifting resources or some of the resources particularly labour and some have taken on paid farming and non-farming activities such as petty trading, smuggling and others.

2) The Urban Poor: The plight of the urban poor can be gauged from what happened to the purchasing power of the minimum wage.

The responses to this situation varies a good deal:

(a) With the real wage drawn to 10% in 1972, people also worked that much less at their wage employment.

(b) Some of the workers including top officials took to growing basic staple crops

(c) Some went into petty trade buying and selling small items of consumer goods, including brewing and selling local alcoholic drinks particularly crude spirit (waragi) and (tonto).

(d) After the departure of the Asians their shops were handed to some lucky people but the recipients could not stock them fully. So they sublet them to up to 10 small traders.

(e) Artisan production also has attracted a lot of people and many "Jua Kari" workshops have sprang up to meet the needs of the poor who cannot afford to buy imported products.

(f) Housing problems remain acute whereby people continue living with relatives in stores, kitchen, garages and even in the sitting rooms. Also the construction of illegal shanties in the towns and the main city, particularly its suburbs has boomed.

#### Local Communities

Local communities have pooled their resources to cater, at least in part, for the needs of their more disadvantaged members. Richer members have housed relatives in the urban area mostly as a base for their activities in the town and city. They have also supported children by providing accommodation or by even paying their school fees.

#### 11. Structural Adjustment Programmes

The structural adjustment programme started in 1981 under a number of broader programmes starting from 1981. The first programme was a two year Recovery Programme 1982-84. There was a follow-up of a earlier Rehabilitation and Development Programme of 1977. The First Recovery Programme was revised a year later. After the 1984-6 war a new Economic Recovery

Programme was formulated in 1989 and subsequently revised.

The structural adjustment part of the overall programmes included:

- a) The provision of incentives to procedures, particularly farmers by offering attractive produce prices.
- b) Devaluation of the over-valued Uganda shillings
- c) Budgetary control to bring in line government spending and government revenue collection.
- d) To liberalise the marketing system particularly the export crops and other non-traditional crops.
- e) Control of demand and inflation through fiscal, monetary and exchange rate policies.
- f) Retrenchment of civil servants.

To re-organise the civil services and harmonize the recruitment with the established posts with a view of keeping the civil service to a viable manageable size that could be sufficiently remunerated and induce them for better output than hitherto.

- g) Other sectoral policies with a view to capacity utilisation in respect of industries and inputs made available in respect of agriculture.

#### Implementing of the SAP

The various governments have tried to implement the whole package of the SAP with mixed degrees of success both in actual implementation and in the results.

- a) Incentive Framework (Prices to producers)

The price of all the traditional cash crops have been raised (as table 11 shows) very significantly at least in money terms.

b) Devaluation (Balance of payments)

The Uganda shilling has been devalued very many times at least once every three months and the rate of exchange which was in 1987 8.6 U.shs per 1 US is now 1,000 Ush. per 1 US. The government has gone to the extent of auctioning forex in Bank of Uganda in an attempt to curb inflation.

c) Budgetary Control

Efforts were made to control deficit spending but the low revenue base severely restricted government's freedom on the expenditure side which led to the abandonment of some of strong measurement in this line.

d) Liberalization of the marketing systems

Privatization of the systems (whole or partial) has been allowed even with sensitive coffee and cotton area. But problems have risen particularly in the field of financing (crop) and management curtailing rapid implementation.

e) Control on demands and Inflation

This has been a particularly difficult area as inflation reach 275% in 1988 and now stands at 100% due to continuous devaluation and large scale government deficit spending.

f) Retrenched Civil Servant

With regard to retrenchment of civil servants a national census of civil servants was carried out by the ministry of finance in 1984. A Civil Servant Survey was carried out by the Manpower Division of the Ministry of Planning and Economic Development with assistance of ILO in 1987. Also another census of civil servants was carried by the ministry of Public Service and Cabinet Affairs under the World Bank funded public service Performance Improvements Project between 1988-89.

Again another Census of civil servants was conducted by the public service review and reorganisation commission in 1989.

The ministries were reorganised and reduced from 30 to 20. The data from different censuses and surveys enumerated above are being harmonized and attempt to rectify the needs of retrenched civil servants and identify carefully package compensatory measures are being undertaken.

Though attempts by Uganda governments to implement structural Adjustment programmes (SAP) to address pressing macro-economic problems were not necessary coherent in the first part of 1980s, they had however, started to pick up by 1983 had not it been the protracted liberation war which subsequently dominated the period under consideration.

The causes of disequilibria reached peak levels in mid 1980s. It also noted that willingness and systematic implementation SAP were again seriously undertaken from 1987. Though, as earlier noted many of the isolated components of SAP have not been accomplished the funding remains too far behind the government pace.

The government efforts in stabilising the economy have subsequently had too far reaching effects to the poor whether rural or urban especially those who earn fixed wages and those who depend on income from agricultural produce; calling for overwhelming sacrifices. In this respect therefore, the government is finding it difficult to strictly adhere to some planned course of events.

## 12. The Organisation of Women in Uganda

Mobilisation of women in groups has always been one goal

of successive governments in Uganda. As early as 1946 a women's section was established in what was then a department of social welfare. The establishment of the council of voluntary social services in 1953 was a response partly to the increasing number of women's voluntary societies. In 1963 there was again need to coordinate the increasing number of women's groups.

In the early 1960s one of the strongest organisations for women was the Uganda council of women. In 1966 all women's voluntary organisations were formed into the association of women's organisations.

The effectiveness of the national council of women in the 1970s, therefore, cannot be isolated from the apathy that the general population was suffering from under the military dictatorship. Amin had identified women's organisations as an important tool to reach the grass-roots population through the formation of a national machinery. But because he was dictating to them what he wanted, these grass-roots women resisted the efforts of the national council of women.

Perhaps the biggest handicap of the national council since 1983 has been the deliberate effort by government, especially through the political women's wing of the then ruling party to use women's organisations for political campaign. Women's leaders started feeling the pressure as it became obvious that the Uganda Peoples Congress (UPC) women's wing could overrule the council. On the other hand, the interference of the political wing created an impression among non-UPC women members that the council was a party organ.

On the 22nd February 1988, the NRM government brought a

fundamental change in the lives of the Ugandan women by the creation of the ministry of state for women in development. A national machinery through which government can support women's development.

The overall function of the ministry is to chart the advancement of women in all spheres of human endeavour with particular emphasis on increasing women's access to money generating activities.

### 13. AIDS

The Aids pandemic has increasingly emerged as a global threat to health with long-term social consequences. In Uganda, it is a major crisis for the whole society. Government decided to address this problem openly and urged masses to retract from acts of sexual immorality through Radio Uganda, the newspapers and other medias. It has responded to the epidemic by informing and educating the general public by establishing central institutions in collaborations with the Ministry of Health such as the Uganda Aids Control Programme (UACP), the Uganda Aids Commission (UAC), the Uganda Aids Information centre and TASO.