

From global poverty agenda to southern consensus and control?

The new politics of development in Uganda

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Chronic Poverty
Research Centre



THE REPUBLIC OF UGANDA

NATIONAL DEVELOPMENT PLAN

(2010/11 - 2014/15)

VISION:

A TRANSFORMED UGANDAN SOCIETY FROM
A PEASANT TO A MODERN AND
PROSPEROUS COUNTRY WITHIN 30 YEARS

THEME:

GROWTH, EMPLOYMENT AND SOCIO-ECONOMIC
TRANSFORMATION FOR PROSPERITY

April 2010

- “This is a paradigm shift, absolutely...PEAP was about poverty this one brings in economic growth, employment, skills development, productivity, value addition...”
 - Executive Director, National Planning Authority
- “...it is inevitable for Government to play a more proactive role in context of a quasi-market economy if the country is to achieve its vision.”
 - Uganda National Development Plan, 2010: 2.
- “...(we will only) welcome support (from donors) if it does not interfere with *our* vision, strategy and timetable”
 - President Museveni, 2008 (emphasis added)



Key debates

- Where next for the poverty agenda/PWC?
 - Is a new paradigm emerging?
- The politics of aid and development: who calls the shots?
 - A shift from ownership as *agreeing with donor policies* to ownership as *national control of the policy agenda* (Whitfield 2009)?
 - What does this reveal about/imply for the politics of aid and development?

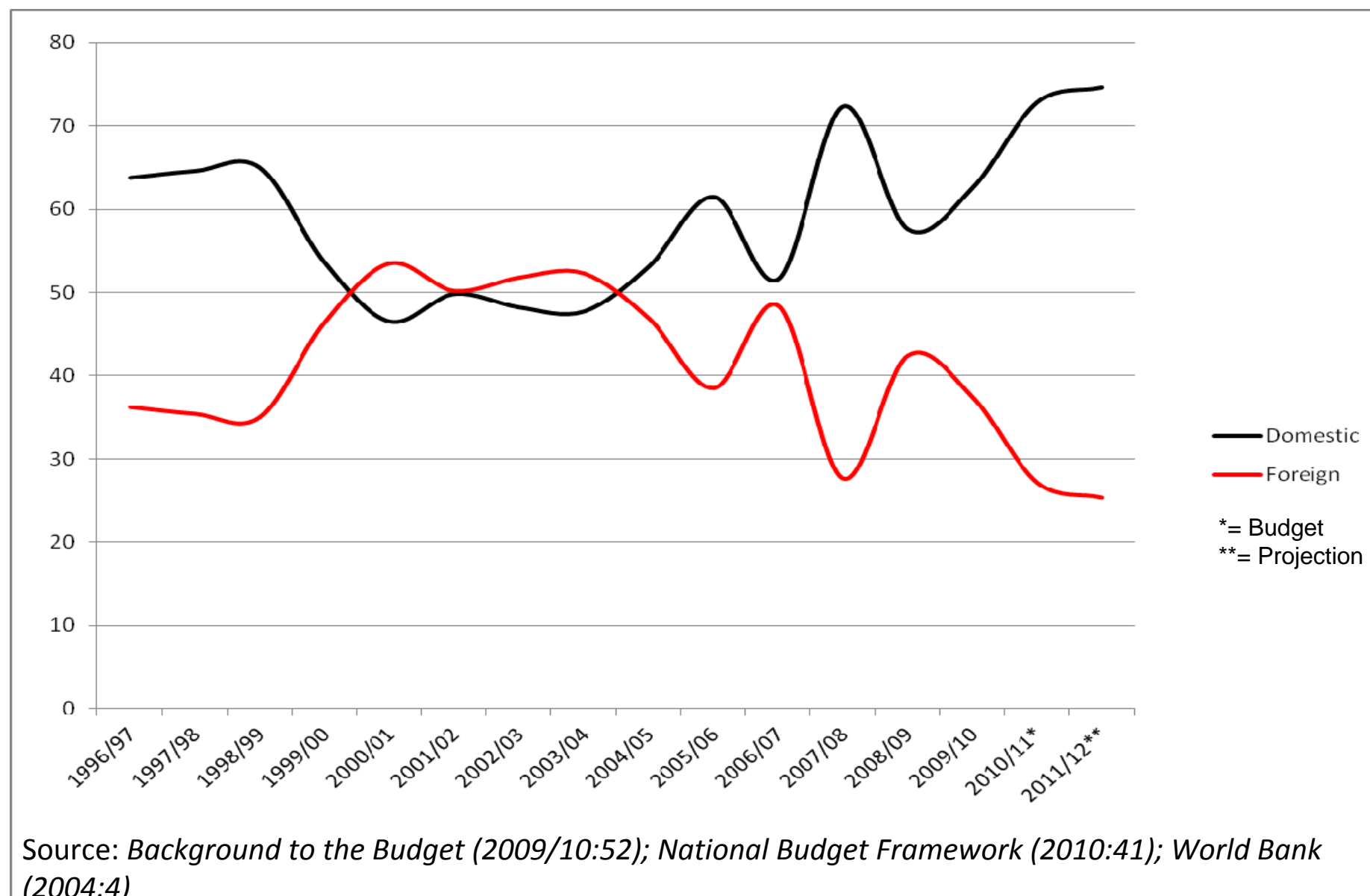


Uganda overview

- Early adopter/driver of the poverty agenda/PWC...but still the showcase?
 - Steady growth; poverty rates flat-lining; inequality rising
- Political context
 - Multi-partyism returns in 2006 altho' Presidentialism persists
 - Districtisation, high-level corruption cases
- Relations with development partners
 - Some level of mutual distrust (e.g. donor studies)
 - Decline in ODA dependence
 - Oil money due on-stream from 2015: 2m+ barrels?
 - Donors making one last push via new accountability mechanisms



Domestic/aid shares of budget



Uganda's PRSP story

- Uganda's PEAP (1997): the original PRSP
- More ambitious targets than MDGs
- Increased pro-poor spending (e.g. Poverty Action Fund), especially in social sectors
- Voices of the poor at heart of government; altho' usual problems with participation
- Recent trends with the PEAP
 - Becoming too technocratic? Implementation problems
- PEAP III due to run 2004-7: rolled-on but a declining force



NDP drivers: 2005-8

- High-level dissatisfaction with the PEAP
 - Perception that economic growth was dipping
 - PEAP Evaluation June 2008: raises critical concerns
- 2006 elections: from poverty to *Prosperity For All*
 - There had been warning signs of such a shift since 2001
- Greater sense of confidence in GoU vis-à-vis donors
- New ideological context
 - Post-crisis mindset: declining faith in the market
 - Sept 2007: World Bank Country Memorandum with a major focus on obstacles to growth, particularly infrastructure



NDP process I: Breaking the 'iron triangle' (Gould 2005)

- Development partners?
 - Donors kept guessing & at arm's length; specific studies
 - “We invited development partners to feed into the plan so that they don't (direct).” President at NDP launch, April 2010
- Civil society on a tight leash
 - “The PEAP was largely bottom-up, involved a lot of consultations, very participatory...the NDP was driven largely from top” (MoF source)
 - CSOs as reviewers, not partners in thinking & drafting
 - Produced own paper: some signs of influence
- Shift from MoF to the National Planning Authority
 - Literature reviews; East Asian experience
 - Macro-micro modelling: links growth & poverty reduction
 - Sectoral Thematic Papers from ministries
 - No new poverty data...



NDP Process II: GoU in control?

- Local government role as tokenistic; parliament as a rubber stamp. However:
- “...the whole document has a nationalistic tone and discourse around it. It was written to foreground what Uganda can do for itself...with no participation of any donor”
 - (NGO observer).
- Stronger Presidential involvement
 - “He was really driving the process...we debated all of these things all of the time at Presidency”
 - (NPA source)







**Primary Growth
Sectors**

**Complimentary
Sectors**

**Social Services
Sectors**

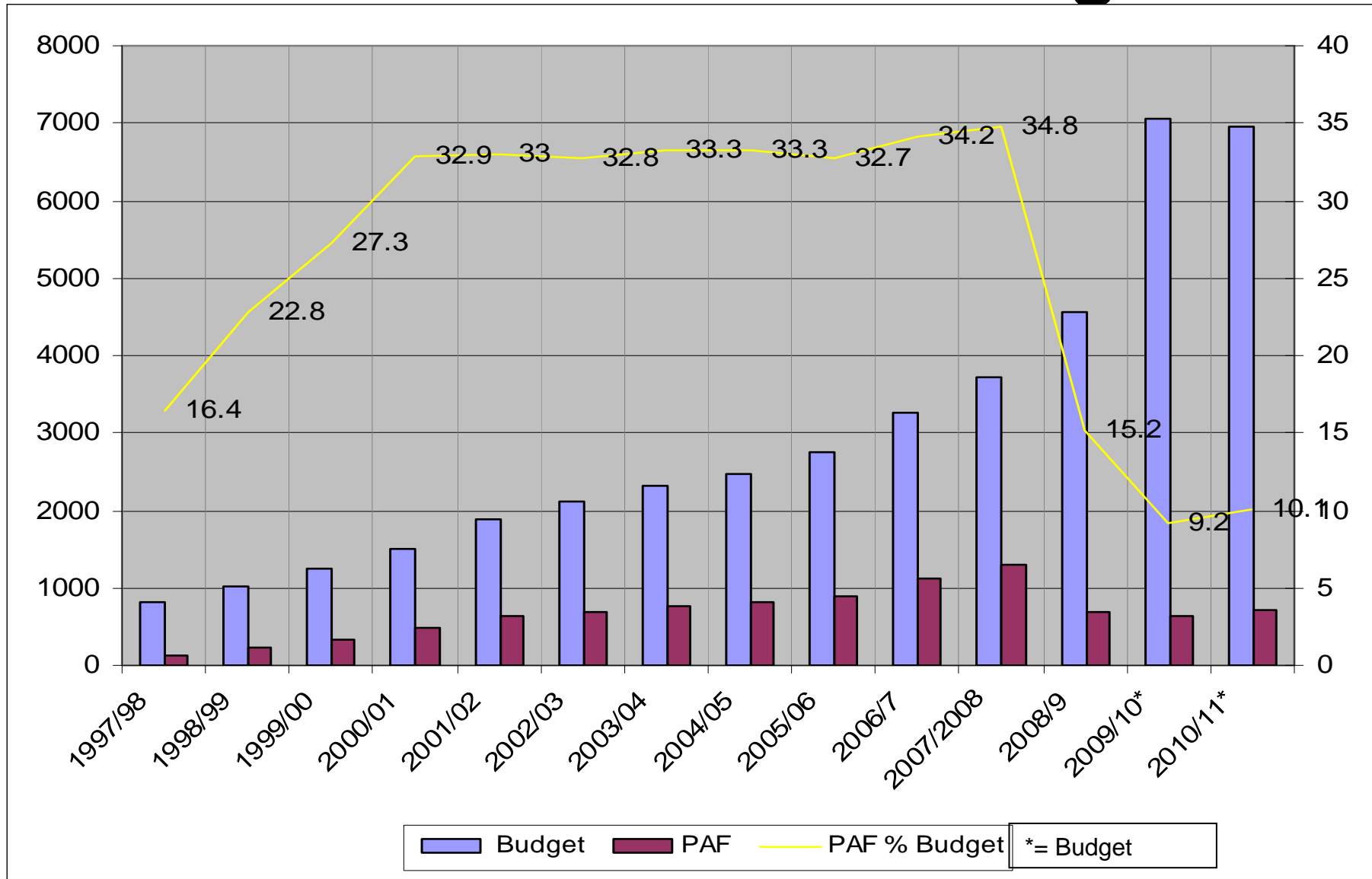
**Enabling
Sectors**

NDP focus

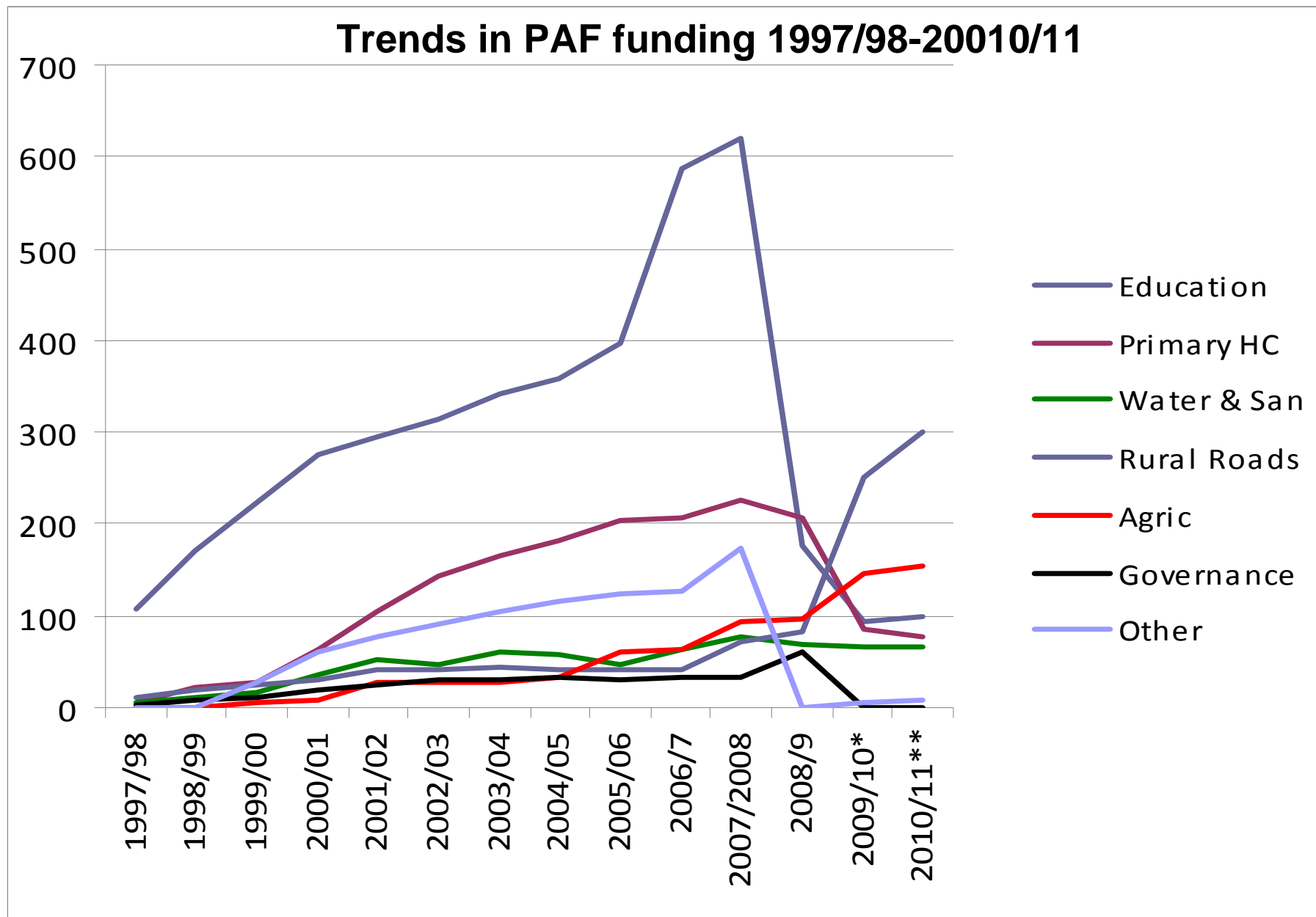
- Strong focus on productivity: the yolk
- The social agenda downgraded / repositioned: a means not an end
- Less ambitious on poverty targets
 - 24.5% by 2015 (used to be 10% by 2017)
- Middle-income status by 2017
- Government to take a stronger role, although often via PPPs



PAF shares of the budget



Source: Poverty status report (2001; 2003; 2005); PEAP evaluation (2008); Budget Performance Report (2008; 2009); National Budget Framework (2010); Budget Speech 2010/11



Source: *Budget Performance (2008:24;) PEAP evaluation (2008:19); Poverty Status Report (2005:200) National Budget Framework (2010: Appendices)*

Whither the poverty agenda?

- A shift away from poverty, across and within sectors
 - Declining share of budget for PAF
 - Education: From primary to tertiary education
 - Agriculture: “Very happy with the modernisation shift – we should never have gone with the poverty thing, the emotional thing. We know those uncles and sisters are back there but we cannot let them drive the development agenda” (Agriculture Sector Lead).
- Politics and poverty reduction not in step
 - Can a development project be progressive without an explicit focus on the poor?
- Growth/Transformation/Prosperity: progressive / inclusive?
 - Links to employment/labour-intensive growth unclear in NDP
 - Only 5% of budget for agriculture, which employs 70%
 - Limited focus on the poorest regions



A paradigm shift?

- “The experience of East Asia and the idea of the developmental state have made inroads in the thinking among African intellectuals, economists, technocrats, and politicians” (Whitfield 2009: 367).
- The NDP reflects elements of a ‘southern consensus’ (Gore 2000)
 1. Strategic integration into global economy
 2. Growth and structural change by ‘productive development policy’
 - Fiscal discipline
 - Full capital & human employment; Human capital formation
 3. A developmental state linking government and business co-operation
 - State facilitation of private sector-led development
 - State role in overcoming technology imperfections
 4. The managing of distribution and growth to ensure productive employment e.g. agrarian reform
 5. Regional integration and co-operation

But...

- Is Uganda capable of seeing this project through? A developmental state?
- A pragmatic rather than an ideological shift:
 - “It has been a very big debate because others belong to laissez faire, WC, and I also belong to it but we don’t have a strong private sector like the euro countries...” (NPA Official)
- A coherent & progressive paradigm?
 - Or a return to trickle-down plus modernisation, complete with white elephant projects?



Towards ownership as control?

- “Uganda is tiring of the scale of conditionality in the scope of GBS. It’s a sovereignty issue”
- “Over last decade the Fund has evolved a lot, IMF really gets the ownership thing in ways we didn’t ten years ago. Countries are also maturing: they want to reduce their dependence. They are not dependent on our money but are on our advice and approval...We don’t approve or disapprove...We consider and make comments”
 - IMF Official, Uganda



An uneasy transition

- “...(GoU is) still calling on the IMF to be involved even if they don’t get funding from IMF – once you indicate that you want the World Bank and Fund to stay involved then that confirms that this will be more a market-approach”
 - World Bank official, Uganda
- IFI influence still apparent
 - As knowledge brokers: IMF’s Policy Support Instrument; WB country memos etc.
 - Via deep role in policy processes



A lot to play for...

- Uganda reflects the recent shifts & unresolved tensions within current development paradigms and politics
- Stronger sovereign control vs. new modes of donor surveillance/brokerage-via-knowledge control
- A poverty agenda in decline...
 - Lacks political resonance in a growing number of contexts, and has done for some time: do Post-MDG debates capture this?
- ...hints of a new (southern-influenced) consensus on productivity emerging although little coherence as yet
- Focus needs to go deeper than aid and Development:
 - What forms of capitalism are feasible/desirable in which contexts? (beyond growth and poverty reduction)
 - Which developmental strategies can achieve this?
 - What forms of politics (at different levels) can achieve this?

- “The oil money will be used to expand infrastructure, especially electricity generation, some aspects of road infrastructure and the railway; some aspects of higher science education as well as a vast network of vocational training; irrigation and scientific research. Our oil money will be ring-fenced for these six purposes...to create a higher capacity”
 - Presidential speech to the National Executive Committee, January 2010

