

The Course of Political Development in Uganda and its Effect on Economic
Development

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Development has recently become a new buzz word in international relations. Through an exploration of political, social and economic development around the globe, scholars are trying to understand which policies are most beneficial, and why certain policies are effective and why some fail. The connection between different types of development is often an important part of this research as well. The connection between political and economic development is of specific interest since the end of the Cold War and the failure of most communist-based systems. The emergence of capitalism as the dominant world economic system at the conclusion of the Cold War forces countries in the developing world to adopt capitalist policies. However, the question remains as to the effect of political development on economic development.

Political development is traditionally defined as moving towards a democratic system with free and fair elections in which all citizens can participate to govern themselves, and eventually moving to a more liberal democratic state which also protects civil rights. The path of this development is often hard to define because each state has its own history and therefore its own methods for moving towards this end goal. Many western scholars recommend that states create and implement institutions to promote democracy, hold elections and open political competition to multiple parties. However the success of states attempts at implementing these policies is debatable. Economic development, on the other hand, is historically defined as economic growth, often based in gross domestic product, increased international trade, industrialization, and integration into regional and world economies. The Washington Consensus has, in the past, played a large role in prescribing policies for economic development along those lines in the

developing world. Political and economic development in Uganda based on these terms provides a strong case for the relationship between the two. The lack of political development in Uganda since independence from Britain in 1962 has hindered economic development and it was not until recent political stability that Uganda has been able to experience any sort of economic development.

To understand the political development in Uganda, it is important to start shortly before 1962 to examine the political atmosphere of independence. Under the colonial system, Uganda was a protectorate, meaning that land rights of Africans were respected, despite the commonplace of forced labor and high taxes.¹ In 1961 Uganda was granted self-rule before gaining full independence in 1962. With the granting of self-rule, three major political parties formed, the Uganda People's Congress (UPC), the Democratic Party (DP) and the Kabaka Yekka (KY). The main platform of the UPC was nationalist and the party strived to unite all Ugandans despite ethnic differences. The KY was mainly an ethnic party consisting of the Baganda people who were the most favored under British rule. An alliance between the UPC and KY gave them more collective strength than the DP and increased the political power of Milton Obote.²

At independence in 1962, Obote, of the UPC, was appointed Prime Minister by the British and he selected Mutesa II of the KY to serve as the President. A popular slogan among the Baganda people was, "Mutesa I invited the Europeans into Buganda and Mutesa II was going to order the Europeans out of Buganda."³ However, Mutesa II served only as a figurehead of the central government. The 1962 constitution was modeled after the British system and Uganda held parliamentary elections for the first

¹ Gakwandi, 1999.

² Jørgensen, 1981.

³ Gukiina, 1972, p 100.

time. The UPC won 37 seats, the KY won 21 seats and the DP won 24 seats.⁴ The alliance between KY and UPC gave them an upper hand in parliament. However, despite these indicators of political development, strong ethnic divisions existed between and within parties. The main rivalry was between the Banyoro and Baganda groups and these divisions led to instability in Obote's administration.⁵

In 1964, this instability led to a full stop in political development. Opposition from within the UPC, lead by the Secretary-General of the party, Ibingira, pointed to Obote and his Deputy Army Commander, Idi Amin, for their involvement in an ivory and gold scandal. Due to this, Obote arrested Ibingira and other opposition, suspended the 1962 constitution, promoted Amin to Army Chief of Staff and deposed Mutesa II. In 1966, Obote proclaimed himself President and convened the national assembly to write a new constitution. This new constitution restricted the power of the Baganda people and created a strong executive branch. In response to this, Obote declared a state of emergency and stormed the palace of Mutesa II. More than one hundred people died during the struggle, but Mutesa II managed to escape to London where he lived the rest of his life in exile. In 1967 Obote introduced his own version of the constitution which gave him even more power and abolished the kingdoms within Uganda. After an assassination attempt in 1969, Obote banned political opposition groups thus creating a single party state.⁶

In January of 1971, Obote left Uganda for a conference in Singapore, and Amin staged a military coup.⁷ Amin and his forces were upset with Obote for his constant

⁴ Jørgensen, 1981.

⁵ Gukiina, 1972.

⁶ "Hostile to Democracy," 1999.

⁷ Jørgensen, 1981.

consolidation of power in the executive, so they overthrew his administration in a guardian coup.⁸ He stated, “I am not an ambitious man, personally, I am just a soldier with a concern for my country and its people.”⁹ Those in opposition to Obote originally welcomed the coup and Amin’s government. However, this changed when Amin’s radical policies came into light. Amin suspended the constitution and declared himself President for life. He violently suppressed all political opposition and created the Public Safety Unit and the State Research Bureau to carry out this suppression. One of Amin’s first acts was to separate the military along ethnic lines and have most of those in the Acholi and Lango groups killed because they were seen as opposition ethnic groups. Under Amin’s rule, between 100,000 and 500,000 people were killed, including his Chief Justice Benedicto Kiwanuka and the Anglican Archbishop Janani Luwuum. In 1972, Amin ordered all Ugandans of Asian decent to leave the country. He claimed their business success was a hindrance to Africans and when the 70,000 Asians left the country, he gave their businesses to friends and family.¹⁰ Amin’s administration alienated most diplomatic friendships with Uganda which brought a halt to foreign aid. Most skilled Ugandans fled the country in fear of their lives, and the infrastructure collapsed.¹¹

Despite the strong crackdown on opposition, the Uganda National Liberation Front (UNLF) was able to form and operate from surrounding countries. Due to these activities, and the presence of Obote in Tanzania, Amin ordered troops into Tanzania and Uganda annexed 1,800 square meters known as the Karega salient. President Julius

⁸ Clapham, 1985.

⁹ “Idi Amin Dada Oumee,” 2003.

¹⁰ “Hostile to Democracy,” 1999.

¹¹ Kreimer, 2000.

Nyerere of Tanzania sent forces to defend Tanzanian land. They were joined by the Uganda National Liberation Army (UNLA), the military force of the UNLF, and together ousted the Amin administration in April of 1979. Amin escaped alive and lived in exile in Saudi Arabia until his death in August of 2003 where he was never held accountable for the atrocities of his rule in Uganda.¹²

After the overthrow of Amin, the UNLA appointed Yusef Lule, the chairperson of the political wing of the UNLA, as the new president. His government lasted for sixty-eight days. He had a pro-Buganda slant which was not appreciated by all members of the UNLA. Due to tension between the military and political branches, the UNLA ousted Lule in a guardian coup and replaced him with Godfrey Binaisa in June of 1979. During the year of his rule, political parties were banned and Obote returned to Uganda and began gaining support in the UNLA. Pro-Obote forces in the UNLA removed Binaisa from power in May of 1980 and promised democratic elections in December of 1980. An interim Presidential Commission was put in place before the elections. It consisted of three men from different ethnic backgrounds, Wacha Olwol, David Musoke and Polycarp Nyamuchoncho.¹³

During the interim period, two new political parties emerged, the Uganda Patriotic Movement (UPM) and the Conservative Party (CP), and two old political parties, the UPC and the DP, reemerged and regained their support. The elections in December were won by Obote. However the other political parties along with the international community believed the elections were rigged by the pro-Obote military. Under Obote's second government, civil war broke out. Yoweri Museveni of the UPM

¹² "Hostile to Democracy," 1999.

¹³ "Hostile to Democracy," 1999.

formed the National Resistance Army (NRA). They fought to obtain power and for radical change in the government.

Museveni argued that his call to arms was a legitimate response to undemocratic practices: ‘Once again, a minority, unpopular clique was imposed on the people of Uganda, leaving them with no option but to take up arms in defense of their democratic rights.’¹⁴

It was estimated that Obote’s government exceeded the brutality of Amin’s rule when dealing with opposition. Hundreds of thousands were killed by Obote’s forces during the civil war that lasted for five years. Other rebel groups formed which made a strong military campaign against the NRA very difficult.¹⁵

Due to ethnic tensions in Obote’s UNLA, General Tito Lutwa Okello staged a coup and disposed Obote in May of 1985. However due to political differences, Museveni and the NRA did not back the Okello government. Okello worked on a platform of national reconciliation. He wanted to solve the ethnic issues in Uganda and went to Nairobi, Kenya to draft peace accords. However, civil war continued between the Okello government and the NRA and the peace accords were never implemented.¹⁶

The civil war was finally brought to a close in 1986 when the NRA defeated the UNLA and Museveni took control of the government. Museveni banned political party activity, exactly like his predecessors. He claimed he would work in an interim period of four years to rearrange political and economic policies and create institutions. However this period was extended for another five years in 1989. During this time he created

¹⁴ Ibid, p 34.

¹⁵ Ibid.

¹⁶ “Hostile to Democracy,” 1999.

democratic institutions at the local level which included elected councils.¹⁷ Museveni's government, like all those before his, faced internal armed opposition and the suppression of this opposition led to accusations of human rights abuses from the international community. However, unlike his predecessors, Museveni did move towards a more democratic system as he had promised at the beginning of his interim administration. In 1989, the Odoki Commission, officially known as the Uganda Constitutional Commission, was formed to draft a new constitution. The Odoki Commission worked on outreach programs to the Ugandan public and received over 25,000 submissions of suggestions for the new constitution. A popularly elected Constituent Assembly debated the Odoki Commission constitutional outline from 1994-1995. On September 22, 1995, the Constituent Assembly adopted a new constitution, which included strong restrictions on political party activity.¹⁸

Democratic presidential elections were held in 1996. The main candidates were Museveni, Dr. Paul Kwanga Ssemogerere and Mohammed Mayanja Kibirige. It was a no-party election so the candidates based their platforms on personal merit. Museveni ran on a platform of economic improvement. He compared Ugandan economic performance under other governments to his government since 1986. He also pointed to the security and stability of his government when compared to the past. Ssemogerere countered Museveni by saying that the new economic development benefited only a few Ugandans and he promised instead to eliminate poverty. Mayanja took a dependency theory stand and blamed the international system for Uganda's economic problems. Both Ssemogerere and Mayanja accused Museveni of increasing instability and insecurity with

¹⁷ Bocquier, 1999.

¹⁸ "Hostile to Democracy," 1999.

his suppression of political parties and opponents. Despite this, Museveni won with 75.5% of the popular vote. Although the losing candidates claimed the elections were rigged, international and third party monitors validated the election results. Along with the presidential election, parliamentary elections were held. Of the 271 seats, 214 were directly elected by the people. The remainder comprised of special representatives from the army, and trade unions, along with disabled people and women.¹⁹ Museveni was reelected in 2001 and looks hopefully toward the next election in 2006.

Political development in Uganda has gone full circle, from parliamentary democracy to years of dictatorships and military rule and back to a parliamentary democracy. The democracy in place today, however, is more legitimate than the original parliamentary system left behind by Britain because the Ugandan people elected representatives at all levels and had a voice in the creation of the new constitution. Uganda is a success story for state-led democratization since the ruler, Museveni, was able to remain in power after the transition to elected government. Uganda has politically recovered and bloomed into a successful democracy. The political development in Uganda is a beacon of hope for other African countries plagued with military rule and dictatorships.

Along with this full circle transition in political development, Uganda has also experienced a circular transition in economic development.

At independence, Uganda was more fortunate than most of its African neighbors in that the country had promising economic potential...The industrial sector produced a wide range of commodities satisfying much of domestic needs. The

¹⁹ Bocquier, 1999.

export sector was buoyant, especially with respect to cash crops such as coffee, cotton and tea. Some minerals, including copper, were also exported.²⁰

The cycle has gone from prosperous beginnings with high potential for success to the destruction of the economy and infrastructure by civil war and dictators, despite foreign aid, back to an era of potential growth and development under new economic reforms.

The high economic expectations of the post-independence period were soon destroyed by the governments of the first eight rulers. The original government, put in place by Britain under the leadership of Obote and Mutesa II, did not implement economic policies to promote strong development in Uganda. Instead the economy remained tied to Britain in terms of exports. When Obote ousted Mutesa II and strengthened the executive, a lack of checks on his fiscal and economic policies occurred. The main drains on Uganda's economy were increased military expenditures and corruption throughout the administration. Development plans to improve conditions of the ordinary citizen and to decrease poverty levels were largely ignored under Obote's rule.²¹

Amin, it can be argued, caused the most economic damage to Uganda of all the first eight administrations. High levels of corruption along with unrelenting spending on the part of Amin quickly disabled the economy. Amin regularly printed more currency when the national treasury was empty, and had economic advisors killed who instructed him on the harmful economic implications of such actions. Amin's human rights abuses and disregard for the international community alienated most allies and led many foreign aid donors to cease all economic assistance. Along with damaging investment and the

²⁰ Kreimer, 2000, p 17.

²¹ Ibid.

treasury reserves, Amin destroyed the human capital. He killed those opposed to him, forced all the Asian business-owners to leave, and most remaining intellectuals and skilled workers fled the country to save their lives. Amin replaced these people with unskilled, often illiterate, Africans who did not have the proper training or experience to take over the positions. Amin did not create any economic policies to promote development in Uganda.²²

The three successive governments also failed to implement policies to promote economic development. The short-lived governments of Lule, Binaisa, and the interim Presidential Commission of Olwol, Musoke and Nyamuchoncho simply did not have the time, resources or stability to design and implement development strategies. Unrest within the political and military sectors of the UNLA led to this unstable leadership. When Obote returned to power the country was thrown into a civil war which not only created instability in the country but also destroyed a large amount of the national infrastructure. Along with these economic hindrances, the corruption that plagued the first Obote administration reoccurred in the new administration. Okello came to power after a coup and focused his resources on achieving peace within Uganda and planned to address the economic situation only after social issues had been resolved. Since his government failed to resolve the ethnic tensions and fighting continued within the borders, economic development was never discussed. Civil war and lack of steady leadership made the six years following the overthrow of Amin unsuccessful in terms of economic development.²³

²² "Hostile to Democracy," 1999.

²³ "Hostile to Democracy," 1999.

After the failures of these first eight regimes, Museveni proposed new approaches to economic development. He created a centrally controlled economy, revalued the currency and held tight control over imports and prices. Museveni was strongly opposed to policies that would unlock the flow of foreign aid because he feared Uganda would become economically dependent on the international community. However, these policies proved detrimental. Inflation increased rapidly and by May of 1987 it had tripled to 380 percent. The failure of these original policies led Museveni to agree to the structural adjustment policies of the World Bank and International Monetary Fund in order to receive loans to rebuild the economy. He implemented tight fiscal and monetary policies, focused on trade and political liberalization and reformed the civil service and financial sectors. These policies improved the situation temporarily, but inflation returned.²⁴ Despite this downturn, given more time, the policies began to steadily improve the Ugandan economy and the World Bank came to consider Uganda as one of its star examples.²⁵ The economy during the first seven years under Museveni achieved stabilization and growth was an average of 6 percent per annum.²⁶ The impressive recovery can be attributed to stability and Museveni's adoption of policies that took in to consideration the lack of economic development in Uganda.

Museveni and his current administration have many proposals for continued economic development in Uganda. They are promoting sound macroeconomic management, long term development strategies, creation of efficient energy, improvement of transport and communications infrastructure, stronger regional economic integration and increased human capital. The government is also working to encourage

²⁴ Harvey, 1995.

²⁵ Kreimer, 2000.

²⁶ Sharer, 1995.

those Asian-Ugandans living in exile to return to the country, as this would greatly increase the human capital.²⁷ These economic goals are within reach as long as appropriate planning, policies, coordination and cooperation are implemented.

“A conducive political environment is the cornerstone of peaceful coexistence, economic prosperity and sustained development.”²⁸ The stability of Museveni’s administration has made the last decade and a half of economic development possible in Uganda. By following the relationship between the political development and economic development it becomes obvious that economic development is dependent on the political climate. The political instability present during the first eight Ugandan governments since independence directly correlates to the lack of economic development and eventual economic degradation and destruction.

The prime example of Uganda can be instrumental in addressing the main question of the relationship between political and economic development. As proven above, political development is of utmost importance to economic development. Economic growth and development is hindered by a lack of political development and stability. The lessons learned from the destruction and reconstruction of both the economic and political systems of Uganda can be applied to other situations worldwide. Developing countries across the globe should focus on achieving and maintaining political development and stability in order to reach goals of economic development.

²⁷ “Uganda Vision 2025,” 1999.

²⁸ Ibid, p 23.

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