THE NEW CORE PERIPHERY RELATIONS IN UGANDA: INSTITUTIONAL RESPONSES IN A GLOBALIZING WORLD

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ABSTRACT

The persistence of regional disparities within countries is a major policy concern confronting many governments in rich and poor countries alike. The benefits of globalization and growth have been felt unequally in the different regions in Uganda. Conceptualization of development patterns in the country largely focuses on the stark division between the relatively developed south and the underdeveloped northern region and this has raised concern over the development patterns of the peripheral areas. This paper attempts to address two questions; firstly, how significant have core periphery relations in Uganda been influenced by forces of globalization and how have institutional mechanisms responded to core periphery relations in the country? Secondly, how can resources inherent in the peripheries be used to (re)define the peripheries so that they can be integrated into the national and global economy? Government has tried to make efforts to turn the liabilities of peripheries into assets using various government inter-sector interventions, such as the Poverty Eradication Action Plan (PEAP) including; the Plan for the Modernization of Agriculture (PMA), the Road Sector Investment Plan (RSIP), the Health Sector Plan (HSP), Information and Communication Technology (ICT) together with governance and decentralization reforms, but results indicate that core and periphery disparities in Uganda mirror a disoriented colonial /political history, administrative incompetence, high rates of corruption, economic rot and poor institutional mechanisms as well as a failed spatial planning framework for the country. An imaginary line drawn from the East to the west divides Uganda into the prosperous south enlivened by the influence of the capital city Kampala, and a "poor" Northern region. Uganda's regional HDI reflects a wide interregional hierarchy with Central Uganda having the highest HDI at 0.637, followed by Eastern Uganda with HDI of 0.582, Western Uganda with HDI of 0.563 and Northern Uganda with a miserable HDI of 0.499. Peripheral areas are contested spaces for resources and political control giving rise to economic marginalization and civil strife. This paper argues that peripheries in Uganda can not be ignored and institutional responses to integrate the peripheries into the national and global economy need serious attention.

Key words: globalization, core-peripheries, HDI, Uganda

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1 INTRODUCTION

Regional development patterns in Uganda have been challenged in recent years by the new economic geography that has emerged in the country in view of globalization and as the country moves towards a ore democratic and decentralized approach to plan and implement its development strategies. O'Connor in Hansen et.al (1988) argues that the vast majority of recent writings on Uganda both on the traumas experienced by its people over the past 15 years and on priorities in reconstruction, have related to the country as a whole. Little attention has been given to variations from place to place within the country, except in discussions focused explicitly on ethnicity and political relationships among people of different ethnic groups. While this has often been necessary, an inevitable result has been a great deal of overgeneralization, with critically important regional variations overlooked. This new dynamic places greater demands on the national government to re-invent the current development perspectives and present them in sync with the present and future global context. An emphasis on the aggregate national scene was perhaps very understandable in the first decade following independence, when everyone was encouraged to think in terms of 'nation-building', even though it was essentially the extent of regional diversity that made that task so difficult.

2 EXISTING EVIDENCE OF UGANDA CORE PERIPHERY ISSUES

Although the country does not operate explicit and quantified systems of designating regions, regional disparities in economic and social development are particularly acute and nowhere are they more marked than in the contrast between the Kampala region and the rest of the country. Post-independence development in Uganda has markedly focused on the Kampala region, with the result that centre – periphery relations have become very visible in the country today. Household surveys indicate that there is rising inequality between regions and falling inequality between rural-urban and between education attainment levels. An imaginary line drawn from east to west shows a cleavage that roughly divides Uganda into the prosperous south enlivened by the influence of Kampala and a "poor" northern region that has suffered from what Hansen, et.al (1988) refers to as the impact of uneven development, and in the colonial period had experiences a process of peripheralisation and has therefore become marginalised in political and economic terms.

UNDP (2007) reports that Uganda has made strong strides in the poverty reduction effort but significant problems still remain (Figures 1 to 5). In 1992/93, 56% of Ugandans lived below the poverty line, and this proportion improved to 35% in 1999/2000. Though this proportion increased to 38% in 2002/03, it again improved to 31% in 2005/06. These positive results in efforts to fight against poverty confirm the outcome of improved HDI from 0.508 in 2000 to 0.581 in 2005. Although in general about 31.1% of Ugandans were living in extreme poverty in 2005/06, poverty levels between rural (42%) and urban (12%) still show a gap in poverty levels.

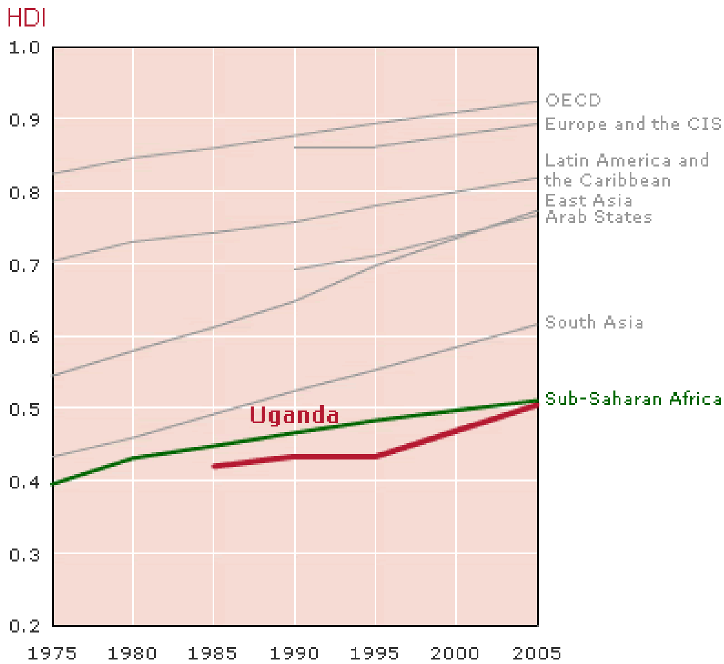


Figure 1 UNDP Human Development Report 2007/2008

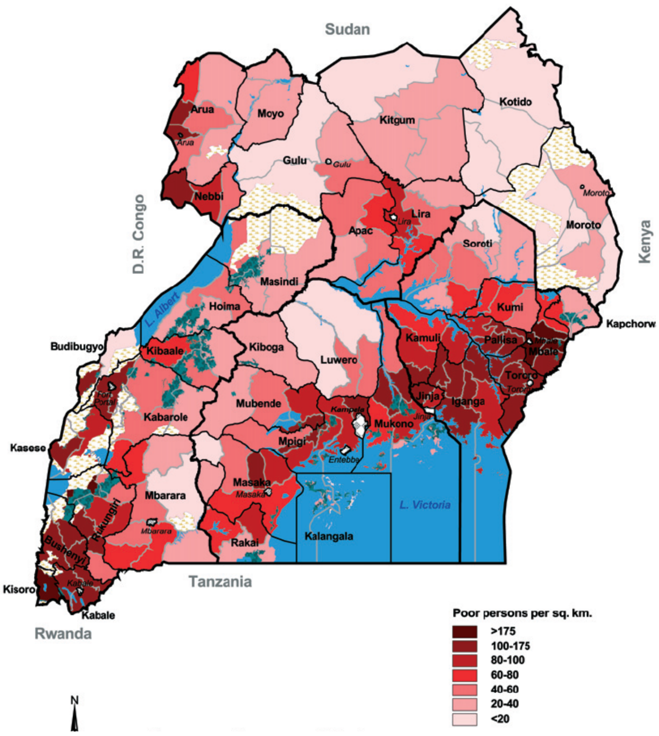


Figure 2: Uganda poverty density 1992

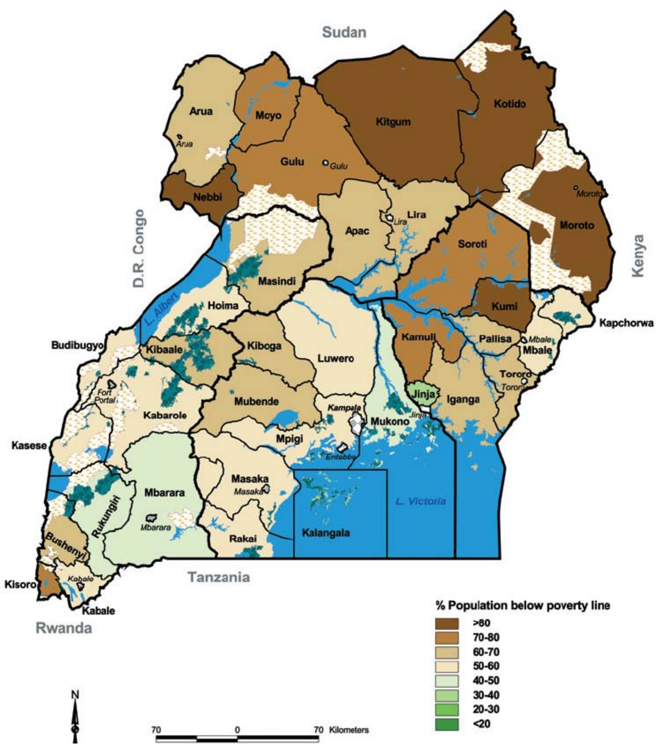
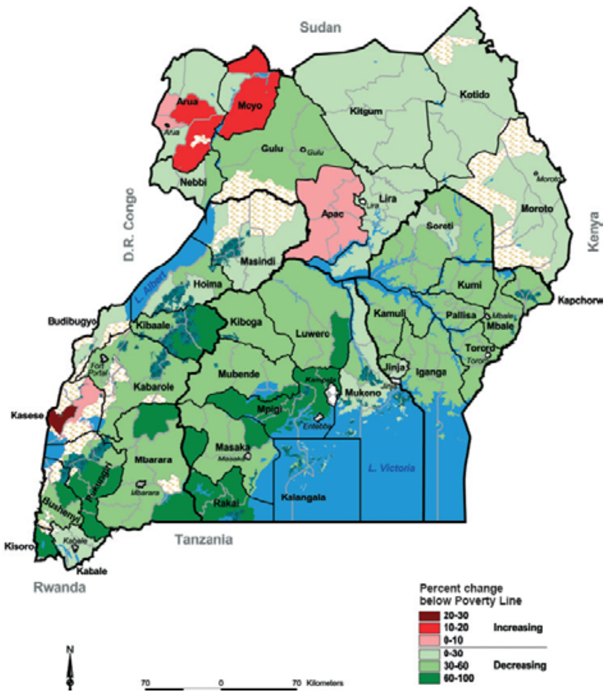


Figure 3: Percentage of population below the poverty line 1992



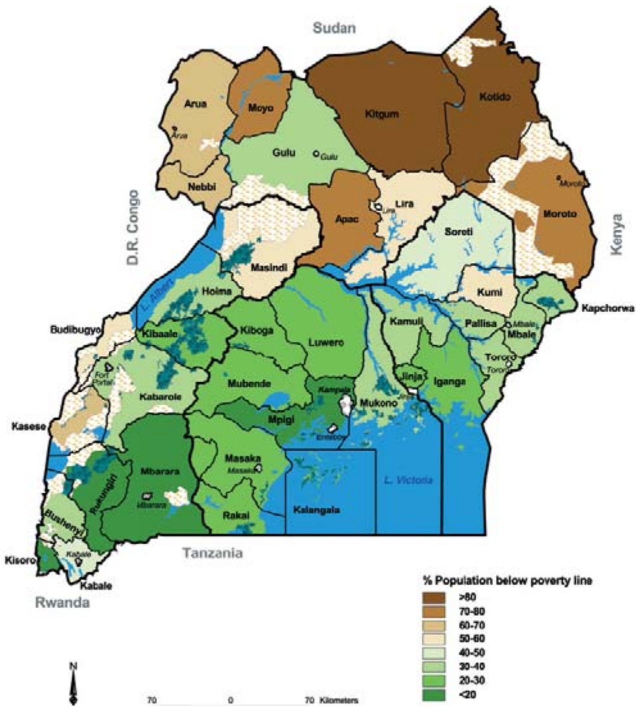


Figure 4: Percentage of population below the Poverty line 1999

Figure 5: Change in poverty 1992 - 1999

This paper would like to argue that the regional development map of Uganda can be best viewed in terms of both the geographical periphery and the social periphery. The geographical periphery can further be explained by the using the core periphery model and the North-South pattern, while the social Periphery according to Hansen, et.al (1988) relates to the Nubis and Muslims in Uganda society, who comprised marginal groups scattered in various locations around the country, with many suggestions in the literature that the marginality of these groups was not simply an objective reality but increasingly a subjective force.

2.1 THE CORE PERIPHERY RELATIONSHIPS

The spatial structure and core periphery relations in Uganda mirror historical developments as well as unclear and "failed" spatial planning frameworks. The optimism and dreams of the past 20 years have faded, yet the night mares of regional inequalities, poverty and underdevelopment remain. The richest 10 percent in Uganda enjoy 35% of national income, while the poorest 10% enjoy a meagre 2.3%. Pre-existing inequalities between the more affluent central crescent area around Lake Victoria and the drier, more disadvantaged Northern part of the country have been exacerbated by the war situation that has ravaged the northern region over the last twenty years coupled with the cattle rustling problem that has traditionally plagued Karamoja and the surrounding sub-region. Although the Northern region still has the highest poverty incidence, the 2005/06 household survey shows that there are indications of a significant drop in the poverty gap (Figure 6 and Table 1). This is attributed to the interventions of both the humanitarian and government interventions in the region and the cessation of hostilities culminating in the relative calm experienced during this period (UNDP, 2007).

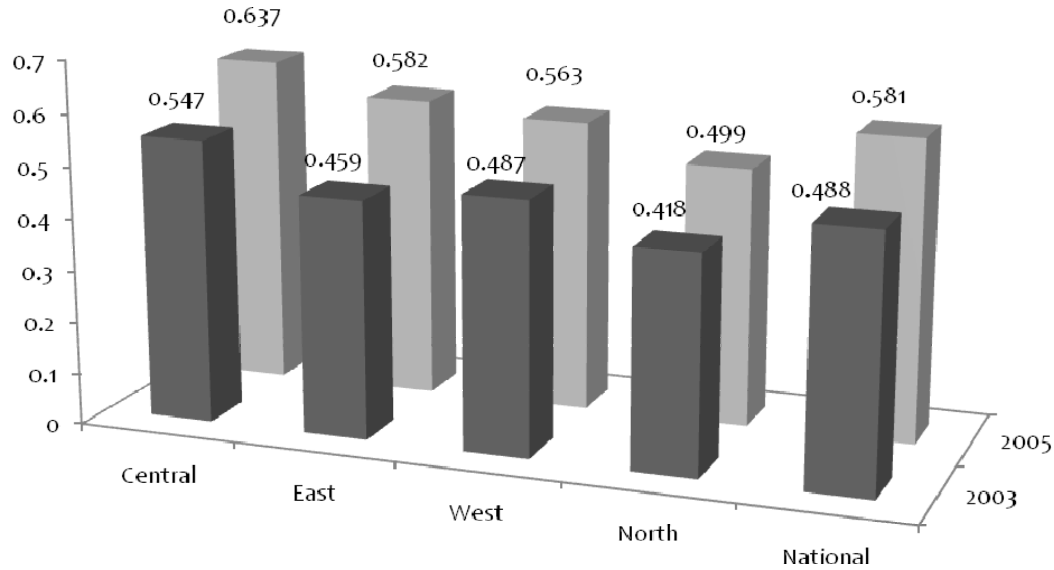


Figure 6 HDI by region (2003 – 2005)

Table 1 Poverty and inequality by spatial subgroup, 1992 to 2006

	Poverty head count					**Gini coefficient of inequality**				
	1992/93	1997	1999/00	2002/03	2005/06	1992/93	1997	1999/00	2002/03	2005/6
National	55.7	45.0	33.8	31.1	31.1	0.36	0.35	0.40	0.43	0.408
Rural	59.7	49.2	37.4	34.2	34.2	0.33	0.31	0.33	0.36	0.363
Urban	27.8	16.7	9.6	13.7	13.7	0.40	0.35	0.43	0.48	0.432
Central	45.6	27.9	19.7	22.3	16.4	0.40	0.36	0.42	0.46	0.417
Eastern	58.8	54.3	35.0	46.0	35.9	0.33	0.33	0.35	0.36	0.354
Northern	72.2	60.9	63.6	63.3	60.7	0.32	0.28	0.32	0.36	0.331
Western	53.1	42.8	26.2	31.4	20.5	0.34	0.31	0.34	0.34	0.342

Source: Okidi et.al (2005), Ssewanyana (2006) and UBOS (2006) in UNDP (2007)

Spatially, poverty in Uganda remains a predominantly rural phenomenon (UNDP, 2007). Rural poverty headcount declined from 60% in 1992 to 34% in 2006. The corresponding figures for the urban areas were 28% and 14% for 1992 and 2006 respectively. Looking at the major components of the HDI namely the combined Education Index, Life Expectancy Index and GDP per Capita Index, the rural areas are not scoring high compared to the urban areas. In addition, to the above factors, the economy has experienced a major drive in private sector investment, which has been more attracted to urban areas because of the existence of better infrastructure and other services. During the 2002/03 to 2005/06 period, rural poverty declined by 8 percentage points while no significant declines were observed in urban poverty. During the period, the disproportionate contribution of rural areas to national poverty remained unchanged at about 93% (UNDP, 2007). The best performing districts were Kampala and Wakiso in the central region; Kabale, Rukungiri and Ntungamo in the western region; Kapchorwa and Jinja in the eastern region; and lastly Arua and Moyo in the northern region. Districts with the lowest HDI were mainly in the northern region especially in the Karamoja area.

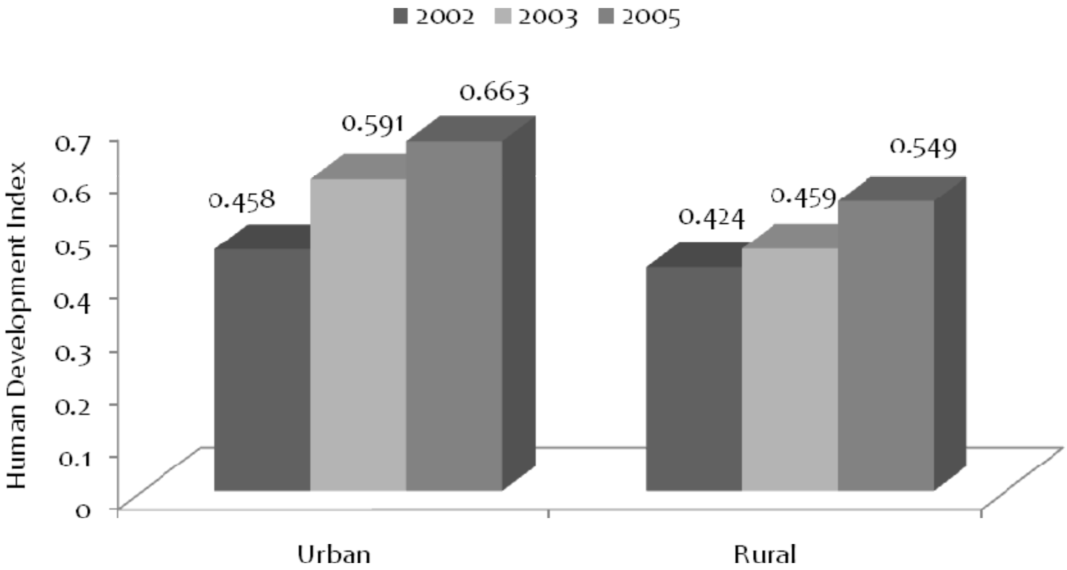


Figure 7 HDI by Rural/Urban Classification (2002, 2003 and 2005)

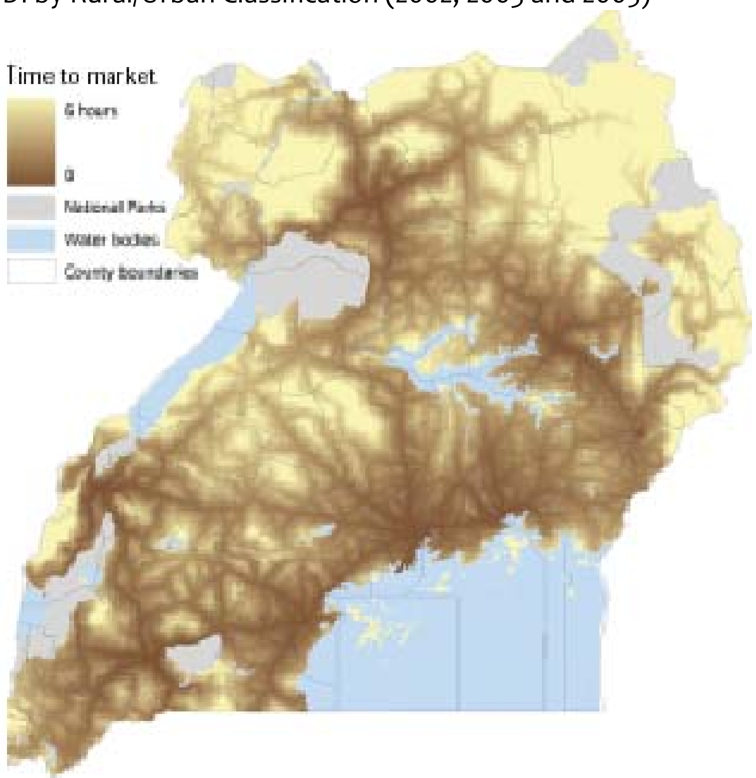


Figure 8 Market accessibility all oriented to the major urban centres in Uganda

2.2 THE NORTH - SOUTH PATTERN AND HDI INDICATORS FOR UGANDA

UNDP (2007) reports that the central region had the highest HDI of all other regions both in 2003 (0.547) and 2006 (0.637), while the northern region had the lowest HDIs of 0.418 (2003) and 0.499 (2006). The western region came second to the central region with its indices standing at 0.487 and 0.539 for 2003 and 2005 respectively. The eastern region was ranked third in 2003 with HDI of 0.459, showing a slight improvement in 2005 with its HDI standing at 0.532. The Human Poverty Index (HPI); a measure of the three basic dimensions of the HDI put the central region as the best performing region in terms of poverty reduction with an HPI of 20.19. The Eastern region with HPI of 27.11 followed the central region, while northern region has the highest HPI of 30.70 and hence worse off in welfare indicators. Northern Uganda shows the lowest probability of one living up to age 40; with the highest level of illiteracy, and the highest percentage of children who are weight for age. This is mainly attributed to the continued armed conflicts in the area that have kept the region in continuous deprivation. Figure 9 also show that various parts in northern Uganda are isolated.

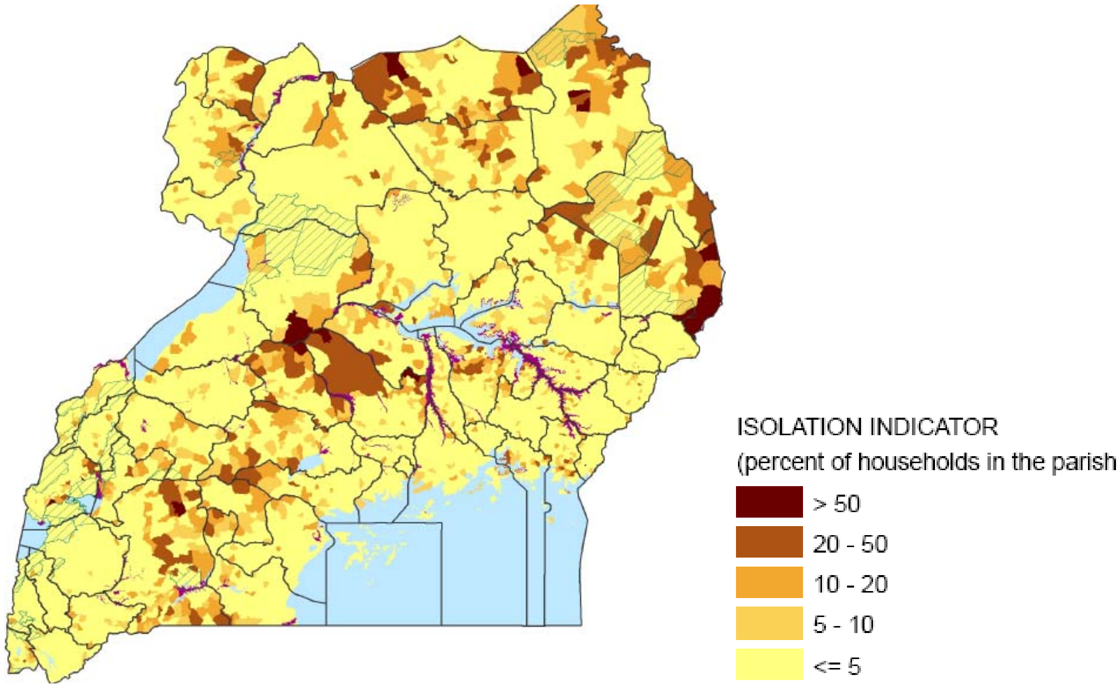


Figure 9 Isolation indicators for Uganda

3 CONSUMPTION INDICATORS FOR UGANDA

National level inequality can be analyzed by comparing consumption levels by decile. During the late-1990s, inequality increased, especially comparing the extremes: the poorest decile experienced only an 8% increase in consumption compared to a 20% increase in consumption for the richest decile, whereas the variation in the growth of consumption for the middle eight deciles was small, varying between 12% and 16%. This latter illustrates a significant across-the-board increase in consumption, implying an across-the-board increase in living standards, for the great majority of Ugandans. But the absolute decline in mean consumption levels in the rural North is worrisome: It is responsible for much of the increase in overall inequality during the late-1990s, and probably explains most of the slow growth in consumption for the poorest decile. The North was already the poorest region of Uganda in 1997 and many northerners already belonged to the lowest consumption decile. Total estimated population in the Northern region for 2000 is 4.22 million; excluding Gulu and Kitgum, the estimated population is 3.25 million. The 1990s trend toward widening inequality in household consumption levels clearly demonstrated by the analysis above contrasts with a narrowing of the inequality in household asset endowments.

Table 2 Household consumption levels 1992/3 and 1999/2000

	1992/93	1999/2000
Average value of household assets (US$)[1]		
Nationwide	2167	2670
Poor (those below the poverty line)	1384	1419
Non-poor (those above the poverty line)	3570	4914
Central region	3691	4657
Eastern region	1518	1597
Western region	1974	2624
Northern region	734	798
Theil index inequality		
Nationwide	1.75	1.56
Rural areas	1.40	1.13
Urban areas	2.84	2.61
Central region	2.61	1.93
Eastern region	1.38	1.15
Western region	1.34	0.99
Northern region	2.56	1.93
Theil index decomposition of inequality		
Within urban and rural areas	1.57	1.36
Between urban and rural areas	0.18	0.20
Within regions	1.61	1.38
Between regions	0.14	0.18

Source: Okidi et.al (2005), Ssewanyana (2006) and UBOS (2006) in UNDP (2007)

It is reasonable to assume that a household's asset endowment significantly affects its income earning capacity. To the extent that it does, the across-the-board narrowing of household asset inequality since 1992/93 means that the inequality in households' income earning capacity has also narrowed. In 1992/93 the distribution of assets, as measured by the Theil index in the above table, was much more unequal in urban than in rural areas. Asset inequality was greatest in the Central and Northern regions, and on a par with that in rural areas. While asset inequality in the East and West was much lower and on a par with rural asset inequality. Asset inequality within all four regions declined as it did within both urban and rural areas. Rural areas experienced a much sharper narrowing of asset inequality than did urban areas, while all regions save the East experienced a narrowing of asset values comparable to that experienced by rural areas. By 2000 the Central region still had the most unequal distribution of assets, followed closely by the North, while the Western region had the most equal distribution.

Like consumption inequality, asset inequality can be decomposed into its urban and rural components. Asset inequality within urban and rural areas accounts for a much larger share of

[1] Household asset endowment is measured by the value of a variety of assets, including enterprise land, buildings, transport equipment, and livestock, among others.

total asset inequality (88-92%) than asset inequality between urban and rural areas, over the entire period, but asset inequality can also be decomposed regionally. Asset inequality within regions is much larger that inequality between regions, lie the rural-urban split, accounting for 88-92% of nationwide inequality.

Core periphery relations within Uganda may not fully explain the character and dynamics of development in the country. Collier and Gunning, (1999) argue that spatial variations in development in Uganda may be explained by three factors. First, Uganda's growth in the 1990s can be viewed as recovery from disaster, rather than growth *per se*. By 2000, the economy was only just returning to levels of income per capita that it had enjoyed in the early 1970s. In the intervening period, disastrous economic policies, invasion and civil war undermined the formal economy and caused "a retreat to subsistence". When a stable economic policy framework and security were restored there was more scope for the formal economy to "bounce-back" and economic opportunities improved more in urban than rural areas which may also help explain the better performance of rural areas in the central region. A second factor is that the restoration of security has been uneven. The slow growth of Northern – and to some extent, Eastern region reflects the fact that security improved much less in those regions than elsewhere in the country. A third factor is the localized impact of the coffee boom in 1994/95 when a unit value for Ugandan coffee exports rose to $2.55 per kilo compared to $0.82 in 1992/93. Coffee growing only accounts for a sizeable share of income in Western and Central regions – it is not grown at all in the North.

There is however, the international dimension which relates to both neighbouring states, for as indicated, peripheries are often geographically located near borders, and neighbouring countries become involved, and also to the international environment a well. Indeed when Uganda is placed within the international dimension, then it may be seen as part of the international periphery, thus placing the internal peripheries on the "periphery of the periphery" to use Hansen, et.al. 1988 words. The gross domestic savings ratio is extremely low at about 10% in 2004/05. Donor dependence remains significantly high, grants account for over 30% of total government expenditure.

6 REGIONAL DEVELOPMENT STRATEGIES IN UGANDA

Core periphery relations in Uganda have invited intervention, both out of sympathy with the peripheral condition but also because the peripheries may provide an avenue of attack on the core for whatever reason (Hansen, et.al, 1988). Uganda is oneof the developing countries that has made strides in adopting regional development perspectives in national development planning, but this paper presents those initiatives that have been tried in the country over the last 20 years.

6.1 POVERTY ERADICATION ACTION PLAN (PEAP)

After the past attempts of eradicating poverty through programmes like; Entandikwa (START UP) Credit Scheme and Youth Entrepreneurship Scheme (YES), the GoU launched the Poverty Eradication Action Plan (PEAP) to tackle growing problems of inequality in the country. It is a blueprint strategy of fighting poverty.

Uganda was the first country to have a workable PRSP (the PEAP). The current PEAP is a broadly owned poverty reduction strategy, which has been informed by an ongoing

Participatory Poverty Assessment process and consultations among Government, civil society, academics and development partners. The PEAP is presently being revised, and should be completed by December 2003. The PEAP was first launched in 1997 and is revised every three years, is a national manifesto mirrored in the Millennium Development Goals (MDGs). The current PEAD was revised in 2003/04 and is structured around five overarching goals/pillars (Table 3) each of these pillars comprises about seven interventions. This means that under the PEAP, the government must carry out 35 interventions simultaneously across health, education, water and sanitation, environmental management, trade and industry, security, disaster management, conflict resolution, agriculture etc. The PEAP is results-oriented, comprehensive, partnership oriented and focused on longer-term targets.

Table 3 Pillars and focus of PEAP

Pillar	Focus
1) Economic management	▪ Macro economic stability, fiscal consolidation and promotion of private sector investment
2) Enhancing production, competitiveness and incomes	▪ Modernisation of agriculture; preservation of the natural resource base; and the development of infrastructure, including roads, power and railways
3) Security, conflict resolution and disaster management	▪ Ending rebel insurgency and cattle rustling, handling internal displacement in conflict areas and managing natural disasters
4) Governance	▪ Human rights and democratisation, development of a better legal system, transparency, accountability and elimination of corruption
5) Human Development	▪ Primary and secondary education; health, including family planning; community empowerment; and adult literacy

MFED (2004)

The PEAP is based on the principles that:

a) The public sector's role is to intervene in areas where markets function poorly or would produce very inequitable outcomes
b) Where the public sector intervenes, it should use the most cost-effective methods, including the use of NGOs for service levels where appropriate
c) Poverty eradication is a partnership and should involve the closest possible integration of the efforts of government with its development partners
d) All government policies should reflect the importance of distribution considerations, of gender, of children's rights and of environmental impacts
e) Each area of public action should be guided by the formulation of desired outcomes and the designs of inputs and outputs to promote them

Uganda's poverty reduction agenda faces a number of risks over the next few years. The possibility of increased instability ensuing from reform of the political system, the continuing anarchy in eastern Congo, southern Sudan and Acholiland, together with the troubled relationship with Rwanda, will continue to divert the attention of Uganda's leadership from more explicitly pro-poor concerns. In this context of continued insecurity, both real and perceived, the level of defence expenditure may remain an obstacle, threatening the integrity of the budget process and its impressive growth record, which is the cornerstone both of Uganda's strong development partnerships, and of the high volume of aid flows that are probably required to meet PEAP targets. The increasing move to provision of budget support, which is both high profile and administratively simple for donors to restrict the flow in time or quantity, will compound potential problems. Uganda has managed donor unpredictability to some degree by building reserves and protecting disbursements to priority sectors; but these are not solutions.

Growing inequality provides a possible answer to the question: why do so many people complain that their situation has not improved, while the official survey statistics show large consumption increases and large reductions in poverty? Literature on the subject indicates that households' subjective assessments of their well being are affected more by relative than by absolute changes – it's a matter or perceptions. Widening inequality during the late-1990s, when the 1999 Uganda Participatory Poverty Assessment Project (UPPAP) was conducted, means that the poorest Ugandans are poorer relative to the other people around them, even though they are better off in absolute terms. Finally, we must recognize that UPPAP interviewed only poor Ugandans, so all the views expressed were from people whose relative status at the time was worsening.

Today, the PEAP has been framed into a new programme referred to as PROSPERITY FOR ALL ("Bonna Bagaggawale" campaign). The Prosperity for All campaign is one of the latest anti-poverty campaigns the government of Uganda has announced. Here the government plans to select six seed families which it will support and use as models. The questions to ask here are whether how far some of these programmes show forms of populism or realism. It is also unfortunate that there is no clear criterion of the selection of parishes and families.

6.2 DECENTRALISATION

The Local Government Finance Act (1997), which is the legal text for the decentralisation process, establishes that districts are the prime political and financial units. Districts have the power to formulate, approve and execute budgets and plan and to deliver services and are recognised as legal entities. Districts can elect their own representatives. Districts can levy charges and collect their won revenues through an individual graduated tax, market fees, registration and licensing fees and also a property tax in urban areas. Of this revenue, 35% is kept at district level and 65% is redistributed according to the following key: 5% to the county, 65% to the sub-county, 5% to the parish and 25% to the villages. However, only 13% of tax and non tax revenue (such as donor support and fund raising) is locally generated. Local government thus heavily depends on transfers from the central government.

The financial support by the central government consists of:

- Conditional grants which are earmarked for the financing of specific expenditures (education, health, feeder roads, agricultural production, salaries of local government staff) but these are quite rigid, e.g. a grant to build schools cannot be used to pay teachers. Central government prefers conditional grants which enable them to retain some control over their expenditure because of lack of capacity at local level.
- Unconditional (block) grants whose utilisation is left to the decision of local governments and are mainly spent on wages for the local administration.

- Equalisation grants, which aim at alleviating the discrepancies in the financial resources from region to region

6.3 The PLAN FOR MODERNISATION OF AGRICULTURE (PMA)

Agriculture is the predominant economic activity in Uganda involving over 2.5 million farm families. It accounts for approximately 50% of the country's GDP and more than 90% of its exports. Approximately 85% OF Ugandan live in rural area. Most Ugandan are self employed mainly in agriculture and so any plan to develop the economy and reduce poverty will have to be carried out in the agricultural sector and through agricultural sector growth.

Focal points for agricultural growth have been identified as the following:

a) Development and adoption of high yielding technology
b) Expansion of acreage under cultivation
c) Diversification of exports
d) Efficient and competitive system for processing and marketing of agricultural commodities
e) Development of rural finance markets
f) Development of infrastructure (roads, communication links and rural electrification, development of market linkages, supply of power for agro-processing

Government is committed to transforming agriculture from a predominantly subsistence sector to a commercially oriented one. Interventions seek to increase the productivity of factors of production in agriculture, to ensure food security, to create gainful employment to increase incomes, and to improve the quality of life of those involved in the agricultural sector. Target beneficiaries for public sector investment will be the subsistence farmers. Commercial farmers will benefit from an enabling environment. Poor persons who do not have any assets will be catered for through special programme or safety nets outside the PMA process.

6.4 LAND TENURE REFORM

Uganda's land tenure is an important factor for the commercialisation and modernisation of agriculture both in terms of providing collateral for finance and allowing for large scale production. The Land Sector Strategic Plan (LSSP) tends to address the need for a land policy to define the range of formally recognised land rights and their distribution within the framework of land use. In this case, a land use policy has been launched that should be able to address poverty reduction and agricultural enhancement measures such as revenue generation based on land taxation and privatisation of land services.

6.5 RURAL INFRASTRUCTURE

The failure to link community production and the market using appropriate infrastructure has been considered one of the biggest omissions of the current PMA approach to fighting poverty. There are many potential productive areas of the country that are essentially not part of the productive economy simply because of lack of access infrastructure (roads, rail and telecommunication services). Because of infrastructural deficiencies that have constrained small holder producers from participating in supply chains, there has been a proliferation of exploitative middlemen taking advantage of the inadequacies of small producers into accessing markets. Integrating producers into new supply chains is critical if inequalities are to be reduced (UNDP, 2007). Four infrastructural elements have been identified as critical to smallholder production ad integration into supply chains: transportation, storage, communication and irrigation. The Ugandan government has made strides towards breaking down the barriers between its regions. Transportation development, dominated by road building has been viewed as a policy tool believed to be the mainsprings for the future growth of regions. Investment in Uganda's roads is guided by the 10-year Road Sector Development Programme (RSDP) which was established in 1996 and updated in 2002 to include district and urban roads consistent with the objectives of the Poverty Eradication Action Plan (PEAP). The Community Transport and Travel Programme (CTTP) designed as a pilot in 8 sub-counties is meant to generate experience for formulation of a community access component providing better access for communities to essential social and economic services through improving local transport infrastructure, socio-economic services as well as availability of intermediate means of transport for rural dwellers (Tanzarn, 2001). The major question that still remains unanswered is whether expanding and improving infrastructure can significantly influence core periphery patterns in the country as the GoU would want us to believe. How can the variance in core periphery patterns be allocated to the improvement and expansion of transportation infrastructure?

6.6 THE NORTHERN QUESTION

The major thrust of regional development planning in Uganda has been the identification of regions and planning for special problems of the regions so identified for which special planning initiatives could be necessary. The creation of specialized agencies like the Northern Uganda Development Program (NUDP), and the Karamoja Development Agency (KDA) is a step in this direction. Northern Uganda (Acholi, Lango, West Nile and Teso) have adequate rainfall throughout the year and good soils which can sustain both crop and animal production. The districts of Gulu and Kitgum have some 20% of Uganda's arable land. Before the armed conflict, these areas used to produce surplus food crops that were sold in other parts of the country. Land has not been used productively for a long time because of the conflict. The population has been unable to contribute to the country's revenue base and development owing to lack of gainful employment and agricultural output. The displacement has also discouraged internal and external investment. It must be stressed that national development is of course in one sense the product of a number of regional performances and if the performance of a majority of regions in particular country is handicapped by relative peripherality, development becomes elusive.

The Government has formulated a priority program for the financial year 2007/08 to implement the Peace, Recovery and Development Plan (PRDP) in Northern Uganda which has fallen behind the rest of the country on all MDGs. It is critical that a deliberate focus is placed on stimulating production and marketing in the north in order to move agriculture from being largely subsistence to medium scale farming thus benefiting larger communities. Northern Uganda with its suitable agro-climatic environment for the production of edible oils such as sun flower and groundnuts including biodiesel should be supported by key institutions such as the National Agricultural Advisory Services and the National Planning Authority to undertake value chain development, thereby revitalising the local communities that are linked to the national and global economy.

6.7 THE RUHIIRA UN MILLENNIUM VILLAGES PROJECT

Launched in March 2006, the Ruhiira Millennium Villages Project has five thematic areas:

a) Agriculture and environment
b) Community health
c) Social infrastructure (water, rural energy)
d) Enterprise development
e) Community engagement

The community has benefited from the project through access to hybrid seeds and improved farming methods, clean water, health services, as well as treated mosquito nets. The holistic project cost of US$110 per person per year and is meant to run for five years. Contributions to the project is to be done in the following proportions US$50 – donors; $10 – community; $30 – Government of Uganda (GoU); $20 – other partners. According to UNDP reports, the community in the Ruhiira Village is contributing more than their share to the initiative.

CONCLUSIONS

Efforts to reduce poverty in households and integrate peripheries into the global developmental agenda have failed miserably because of various reasons. The failure of previous poverty interventions was the politicisation of the interventions especially since they were established during the period of elections. Most of the people that got the money mistook it to be rewards for their political support for the incumbent president. There were also inadequate planning, design and implementation mechanisms on both by the government and the beneficiaries on how the money had to be used and as a result, over 98% of the money went down the drain. Some of the schemes seem to have been political statements with no safeguards whatsoever on how best they would be implemented.

The PEAP is one broad strategy and lacks focus. How can a poor country like Uganda attempt to do 35 things at ago? That is why it has not achieved much and the few resources under PEAP are spread over a wide spectrum without having a significant impact in any one area. For example, agriculture receives only 1.6% of the national budget and yet the whole PEAP is operationalised by the Programme for Modernisation of Agriculture; an agricultural sector on which 68% of the population lives for subsistence. There is no specific and strategic flagship sector where attention has been placed to drive other sectors of the economy. There is a need to identify opportunities, capacities of people in a given area, working on the production, processing, marketing and adding value to people's products. However, most agricultural interventions remain largely programme-or-project-type interventions and this has overtime constrained the realisation of the sector wide activities' wider impacts on human development.

Relevant information plays a major role in the design of regional development strategies. However, regional indicators of development have not been extensively investigated and relevant information on rural livelihoods is poor at worst non existent. The rural livelihood approach is implicitly at the heart of the poverty alleviation policy of the government, but little analysis, if any, is available on rural livelihoods. There is also a need to reconcile the relatively micro-social character of the livelihood approach with the global character of interventions.

Poverty is predominantly rural and therefore agriculture based. The majority of people employed in agriculture are either self employed or unpaid family workers who are likely to be women. While Uganda's policy makers are increasingly putting emphasis on the transformation of the economy, it is becoming clear that this mainstay of Uganda's economy ought to be strengthened in order to attain the desired transformation. People have to have food security and the various agricultural institutions strengthened to provide adequate services to the rural population. The sector must be backed and supported by a more comprehensive national agricultural policy. The significance of the progress to date is undoubtedly seen in the improvement of economic growth and life expectancy from 47 to 50 years. There is a strong urban divide, as the gap between rural and urban areas in terms of human development persists.

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