

Beyond the Poverty Agenda? Insights from the New Politics of Development in Uganda

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Summary. — The politics of development has shifted significantly in recent years, with largely negative implications for the poverty agenda. This is particularly apparent in countries like Uganda where “poverty reduction papers” have been displaced by national development plans aimed at “structural transformation,” driven by the discovery of oil, the growing influence of rising powers vis-à-vis traditional donors and domestic political shifts. Although this heralds the possibility of deeper national ownership over development policy, international financial institutions have adopted strategies to maintain their influence. Moreover, Uganda currently lacks the underlying political capacities and relationships required to roll out this ambitious new agenda.

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Key words — Uganda, Africa, poverty, paradigm shift, developmental state, IFIs

1. INTRODUCTION

The politics of development underwent significant shifts during the first decade of the 21 century. The moment of poverty reduction and the Millennium Development Goals, which from 1999 appeared to join if not fully displace market-driven neoliberalism in the Post-Washington Consensus (PWC) (Onis & Senses, 2005), now seems to have given way to a more ambitious development agenda aimed at “structural transformation.” A series of factors, including the financial crisis of 2008, the leftist wave in Latin America, and the new resources and ideas made available by both the growing influence of rising powers and also new natural resource finds in several countries, have undermined both the ideological and institutional basis of the PWC, and offered developing countries the possibility of devising more productivist and nationally-owned development strategies (e.g., Birdsall & Fukuyama, 2011; Grugel & Riggirozzi, 2012; Power & Mohan, 2010; Whitfield, 2009). These shifts have loosened the influence of those most clearly aligned with the promotion of both neoliberal policies and the poverty agenda, including transnational corporations (for neoliberalism) and many traditional donors (for both). In an important book on the politics of aid in Africa, Lindsay Whitfield notes that the international and ideological conditions are increasingly in place for a new, more autonomous approach development policy to take hold within Africa, and that many developing countries:

“have started kicking against the limited vision of the Millennium Development Goals, the narrow poverty focus on PRSPs, and to some extent aid-funded growth, and some are clearly looking outside Africa for ideological inspiration” (Whitfield, 2009, p. 367).

However, she concludes that “...these trends have not yet made their mark in terms of inspiring governments’ development plans, strategies, or public policies” (op. cit.). This paper argues that we can now see these developments playing out in Africa, and also that the new paradigm of development as “structural transformation” appears to be gaining more traction at the national level than the PWC managed to achieve, despite the rhetoric of “ownership” that accompanied its emblematic modality, namely the poverty reduction strategy paper (PRSP) experiment. PRSPs have been increasingly

rejected by developing country governments in favor of a return to a national development planning approach, a shift that encompasses Asia (e.g., Cambodia), Latin America (e.g., Nicaragua, Bolivia), and Africa (e.g., Malawi, Uganda, and Zambia). Even where PRSP-speak remains in place, as in Ghana, the emphasis has changed to “Growth and Poverty Reduction Strategy,” and to achieving middle-income status rather than simply alleviating poverty.

However, the image of Africa taking control of its development agenda has become further confused since Whitfield’s important intervention as the World Bank has apparently shifted its ideological position to embrace the new paradigm. In a speech at Georgetown University in September 2010 the President of the World Bank noted that “As economic tectonic plates have shifted, paradigms must shift too... This is no longer about the Washington Consensus (but about) securing transformation.” In response to the drivers outlined above, and possibly also its own research into development success,¹ the Bank now promotes a “new structural economics” (Lin, 2010), which promises a more ambitious development agenda that is more carefully tailored and contextualized to the specific characteristics of particular countries.

Uganda’s new National Development Plan (NDP) is a particularly interesting exemplar of this new politics of development, in ways that has resonance beyond its borders. Launched in 2010, the NDP emerged in response to shifts in

* I am very grateful to all of those who have contributed their time and insights to this research, particularly those working in Uganda who agreed to repeat meetings over the last few years. Many thanks also to Badru Bukunya, a Ph.D. candidate at IDPM, for his excellent research assistance on this project since 2010. This version of the paper has benefited from the insightful comments of Keith Muhakanizi, Simon Kenny, Kasingye Kyamugambi, David Rider-Smith, Martin Brownbridge, Godfrey Bahigwa, Richard Ssewakiryanga, and Adam Branch. Useful comments were also received during presentations of various versions of this paper in Kampala, Manchester, Oxford and Sheffield. This research has been carried out within the Chronic Poverty Research Centre, which was funded from 2001 to 2010 by the United Kingdom Department for International Development. The analysis and arguments are the author’s alone. Final revision accepted: September 7, 2012.

the politics and political economy of development in Uganda, at national and global levels, which effectively undermined the key drivers and relationships that had underpinned the poverty agenda. Having been once considered the showcase of liberalization under the Washington Consensus and then of poverty reduction under the PWC, the question thus arises once more as to whether Uganda is again showcasing a new development paradigm, as the Government of Uganda claims, based on greater national ownership and more progressive possibilities in terms of both accumulation and redistribution. Uganda's new five-year Plan refers not to "poverty" but to "transformation" and "prosperity," terms which had already been popularized by President Museveni during the 2006 election campaign and which broadly reflect a "Southern Consensus" (Gore, 2000) that appears to owe more to learning lessons from East Asia than Washington.

However, whether this constitutes a new paradigm for development remains a moot point. Although more clearly owned and controlled by the government of Uganda than the erstwhile Poverty Eradication Action Plan (PEAP), the international financial institutions (IFIs) have remained influential in shaping both the process and content of the NDP (Sheppard & Leitner, 2010), in part through the ideological re-invention noted above. And while the achievement of structural transformation should lead to more sustainable forms of poverty reduction over the long-run, the redistributive aspects of this new agenda remain poorly articulated, particularly in terms of employment and agriculture. The forthcoming flow of oil wealth offers significant challenges as well as opportunities for this agenda, particularly in terms of achieving labor-intensive growth and avoiding the governance problems associated with oil (Ross, 2012). Over the longer-term, then, it is unclear as to which types of capital accumulation and associated forms of political order (Ferguson, 2006) will prevail in Uganda as it moves to exploit the significant reserves of oil that should start to flow later this decade. As such, Uganda reflects and reveals the more general ambiguities that characterize many African countries within this new ideological and political economy context (Carmody, 2009).

The paper proceeds as follows. Section 2 briefly outlines the politics that underpinned the poverty agenda in Uganda from around 1996 until the mid-2000s, before identifying a number of key changes within the politics of development which converged around 2005–06. Section 3 details the process through which the NDP was produced, highlighting the continuities and discontinuities with the usual PRSP-process, and assesses the influence of the Plan over subsequent budgetary allocations. Section 4 discusses whether the NDP agenda can be considered to be pro-poor and whether it reflects a paradigmatic shift within development thinking. Section 5 explores the question of who controls the new development agenda in Uganda, and (briefly) whether this new development agenda is likely to be implemented, before Section 6 concludes.

The evidence for this paper draws on successive research trips to Uganda between 2005 and 2011, the most recent being over May–June 2010, February 2011, and June 2011. The research included over 80 interviews with key informants drawn from all institutional stakeholders, including government, donor agencies, parliamentarians, local government officials, and civil society (including journalists, academics, and officials of non-governmental organizations or NGOs). These visits were largely timed to fit with key moments in the NDP process, including the first meetings of the PEAP-revision process in 2007, the shift in leadership over the process from the Ministry of Finance to the National Planning Authority (NPA) in 2008, the launch of the NDP in the spring of 2010, the 2011 elections

and both the 2010–11 and 2011–12 budget speeches. This enabled direct insights into the process as it unfolded (e.g., participation in the first NDP planning meeting in May 2010 after the NDP launch in April) and when events were still fresh in respondents' minds. Successive drafts of this paper were then circulated to key insiders in the process in order to ensure as much accuracy as possible.

2. THE SHIFTING POLITICS OF DEVELOPMENT IN UGANDA: FROM 1996 TO 2006 WATERSHED

(a) *The politics of the poverty agenda: 1996–2006*

Uganda's much vaunted "ownership" of the global poverty agenda is often discussed in terms of the country's PEAP, the country's forerunner of the PRSP-experiment. Along with further measures taken to promote and protect pro-poor expenditures in the budgetary process (e.g., Foster & Mijumbi, 2001; Piron & Norton, 2004), most notably the Poverty Action Fund which ring-fenced finance from debt-relief for areas of government expenditure deemed to be pro-poor, expenditure in the areas of education and health increased from 18% to 35% of the budget between 1997 and 2005 (Piron & Norton, 2004, p. 14). The sense of Uganda as a paragon of pro-poor politics (Mosley, 2012) was further underlined by its earlier success in significantly reducing poverty and vulnerability during the 1990s, most notably through the liberalization of coffee marketing (Dijkstra & van Donge, 2001) and also the strong role played by President Museveni in reducing the prevalence of HIV-AIDS (Putzel, 2004).

However, the story was never quite so straightforward, not least in the apparent air-brushing of the long-running civil conflict in the North and the Government's complicity with this (Branch, 2005). It is also now increasingly clear that the consensus around poverty reduction in Uganda that developed in the late 1990s was only held together by a particular set of political and political economy circumstances. Uganda's high-level of indebtedness and dependence on foreign aid was critical here: the fact that around half of the entire budget was externally financed for much of the 1990s meant that donors wielded a large influence over the government's policy direction, including those donors such as World Bank and DFID who were both powerful in Uganda and the most enthusiastic promoters of the new poverty agenda (Hulme, 2010). At the same, donors were looking for a success story which could be used to justify their new approach, and were willing to overlook the Government's tendencies in other areas, most notably the opposition to multi-party politics, growing levels of corruption and military involvement in the Congo. This symbiotic relationship was re-enforced following the 9/11 bombings in 2001, whereupon President Museveni repositioned his struggle against rebels in northern Uganda as part of the global "war on terror," and received significantly increased support from the United States in return (Hickey, 2003, 38).

This convergence of transnational and domestic political imperatives around a pro-poor policy agenda was particularly apparent during the late 1990s with the early adoption of the PRSP, an agenda that was taken up enthusiastically by both the Ministry of Finance and civil society organizations as well as promoted by donors, the three sides of what Gould (2005) has referred to as the "iron triangle" of PRSP-processes.² Donors had long concentrated their efforts on building up levels of capacity and commitment within Uganda's Ministry of Finance, Planning and Economic Development (MFPED), and

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