MUSEVENOMICS

Articles by H.E. YOWERI KAGUTA MUSEVENI

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CONTENTS

INTRODUCTION

INTRODUCTION

In the early months of the Coronavirus pandemic, some pessimists were quick to announce the collapse of the African economies because of the lockdowns our Governments had put in place to slow the spread of the virus. Indeed, it was tempting for the media and general public to swallow wholesome the negative rhetoric of the cynics without analyzing the unique context which is full of opportunities and possibilities.

President Museveni's five Articles, attempt to cure this myopia which prevents us from looking inward for home-grown solutions to our challenges. In these Articles, President Museveni removes the blinding cataracts from our eyes and challenges us to see the Coronavirus as a wake-up call rather than a fatal blow to our economies. He directs our focus on the real economy as the foundation of any enduring society. The real economy constitutes of: food, clothes, shelter, defence, the human resource development (education and health), infrastructure, medicine and spirituality.

These are the constant human needs that must be met to sustain human life on earth. However, it is important to understand that every human need presents an economic opportunity. The need to eat gives the farmer the opportunity to supply food. The more the consumers, the greater the monetary returns to the farmer. When these are in place, other sub-sectors will emerge and these include; tourism, hospitality etc. - fair-weather sectors (vulnerable economy).

President Museveni argues that Africa's economic stagnation is rooted in the failure to fully eliminate the unprofitable subsistence nature of our societies. The pre-capitalist hunter and food gatherer communities were predominantly occupied with simply earning food using rudimentary means.

Therefore, President Museveni is, once again, challenging us to throw off the yoke of dependence on foreigners to guarantee our prosperity and security. One of the object lessons that the Coronavirus has taught us is that every Country's chief concern is its own citizens. The Government of the United States of America cares about American citizens only. Every country looks out for its own interests. Africa has a big advantage of a growing market of 1 billion people that we must fully utilize through intra-trade.

In his 2018 speech to the NRM Central Executive Committee about **The**

Economy of Uganda, President Museveni outlines the journey of economic recovery which Uganda has undergone since 1986. Despite Uganda's tremendous success story, greater prosperity and security will be built when we cross the bridge of political and economic integration. This is why the issue of Pan-Africanism is a recurrent theme in most of President Museveni's speeches and a pillar of the NRM's ideology.

The Government has been very emphatic in getting the private sector to play a pivotal role in the country's economic development process. The results are very encouraging.

Adam Smith, in his Book entitled: **"The Wealth of Nations"**, addressed the issue of what is wealth and how to create it. He emphasized the importance of specialization through the division of labour and exchange; and quoted the phenomenon of the baker, the brewer and the butcher. These provided all his breakfast needs, not because they loved him, but because they loved themselves. This analysis gave birth to three points:

- division of labour and specialization;
- exchange;
- the personal vested interest of producers (the brewer, the baker, the butcher).

These would ensure efficiency of production as a stimulant for creating wealth. Therefore, essentially, wealth is created through production and exchange/ trade, with production driven largely by personal interests.

Uganda is a gifted country with raw materials in the mineral sector, oil and gas, agriculture, iron ore from which we can make very high quality steel products, materials for making some components of cellular phones, high grade Marble, Gold and Uranium from which we can develop nuclear power plants, etc. Using the Principle of Comparative Advantage, we can manufacture many high value export products from these raw materials. There is already a good Ceramics' Industry at Kapeeka, making ceramic tiles, saving US$28.5million in imports and also bringing in US$3.05millions earned from exports.

Therefore, these five Articles are not just philosophical reflections of a bystander to Africa's progress; they come out of actual practice and dedication

ADDRESS

By

H.E. Yoweri Kaguta Museveni

PRESIDENT OF THE REPUBLIC OF UGANDA / CHAIRMAN NRM

TO THE

CENTRAL EXECUTIVE COMMITTEE (CEC)

ABOUT

THE ECONOMY OF UGANDA

IGONGO, 2018

23RD DECEMBER, 2018

A serious, revolutionary discussion about the economy of Uganda or, indeed, much of Africa, should include the following questions:

1. What was the economy of Uganda like in 1900, at the dawn of colonialism?

2. What was the economy of Uganda like in 1962, at the sunset of colonialism?

3. How and what was the magnitude of the collapse of the Ugandan economy between 1971 and 1986 (Idi Amin, Obote II, Okello)?

4. What, therefore, was the economy of Uganda like in 1986?

5. What is the Ugandan economy like today and why?

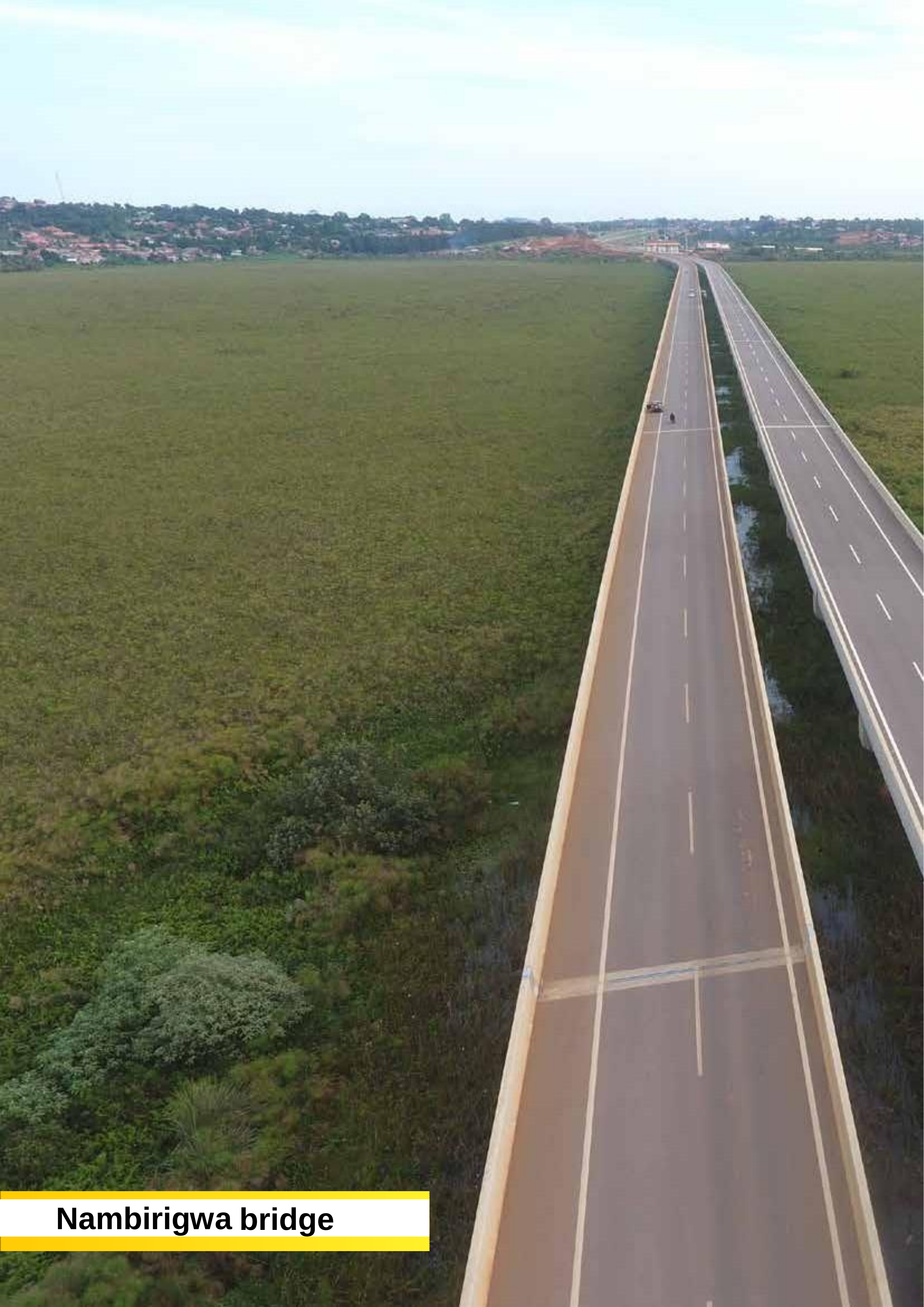
6. What should the Ugandan economy be like when our country is a fully modern economy?

Since in modern economics we talk of the four factors of production of: Land, labour, capital and entrepreneurship, we should, then, ask ourselves, the following question: "What was the state of these factors of production at each of the five stages that we have already gone through and what will be the state of these factors in the sixth anticipated stage?"

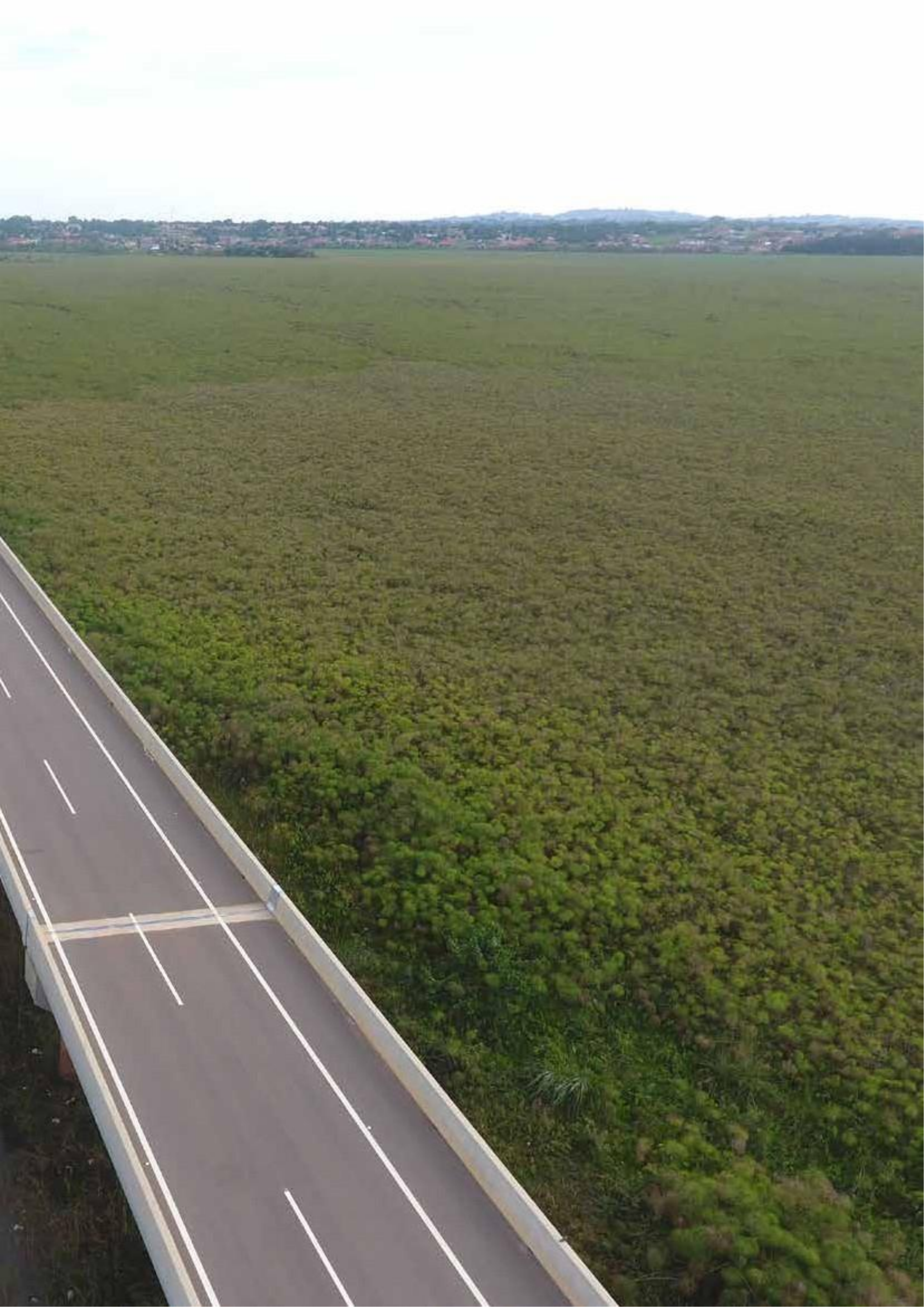
I hear the modern economists have added a fifth factor, knowledge. These are the factors one needs to produce a good or a service.

There is, however, another factor that would render these five irrelevant if it is not present, the market. You must have enough buyers of the good or the service for the business to succeed. One can, of course, say that the issue of the market is subsumed in the factor of entrepreneurship. A shrewd entrepreneur will not produce a product or service unless he is sure of the market. Shrewdness, however, does not create a market; it only identifies a market that is already in existence. Who, then, creates that market? It is the emperor or the imperialist or, in the case of Africa, the Pan-Africanist freedom fighter.The huge Chinese market, the huge market for the British during their Empire days, the huge Russian market, the huge Indian market, were created by the Emperors or the Imperialists. The huge American market was,

(First class Moroto-Nakapiripiriti Road



Nambirigwa bridge



however, recast and created by the American revolutionaries led by George Washington and his middle class (capitalist) colleagues (Jefferson, Adams, etc).

You can contrast what Washington and his colleagues did when they united the 13 former British colonies with what happened in South America where the former Spanish colonies remained scattered. North America, thereafter, became a centre of strength economically, militarily, etc., while South America remained a zone of weakness and instability.

When, therefore, it comes to the Africa of 1900, at the dawn of colonialism, we find that our ancestors were at a double disadvantage. They neither understood the importance of the modern factors of production that you had to mix in such a way that you earned a profit nor had they the good fortune of having a big integrated market because the small kings we had, had no capacity to create that market. Indeed, the very concept of profit was not understood widely. The economy was pre-capitalist (before understanding fully the concept of money as a medium of exchange and the concept of profit). Yes, there was the incipient use of money in the form of cowrie-shells (ensiimbi — that is why money is still called ensiimbi), but the predominant form of economic activities were those of the primitive man identified by Adam Smith. This is a man who was trying to be a jack of all trades and a master of none. In his book, **The Wealth of Nations (1776)**, Adam Smith illustrated the great benefits that come from specialization. He illustrated this by referring to the manufacturing of pins as follows: "To take an example, ...the trade of a pin-maker: One man draws out the wire; another straights it; a third cuts it; a fourth points it; a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on is a peculiar business; to whiten the pins is another; it is even a trade In by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations, which, in some manufactories, are all performed by distinct hands, though in others the same man will sometimes perform two or three of them. I have seen a small manufactory of this kind, where ten men only were employed ..... Those ten persons, therefore, could make among them upwards of forty-eight thousand pins in a day. Each person, therefore... might be considered as making four thousand eight hundred pins in a day. But if they had all wrought separately and independently, and without any of them having been educated to this peculiar business, they certainly could not each of them have made twenty, perhaps not one pin in a day...in consequence of a proper division and combination of their different operations". **(AdamSmith, The Wealth of Nations, Chapter I, p. 8-9.)** Here Adam Smith was referring to the modern concept of specialization and the efficiency it creates. However, in the same book, Adam Smith talked about the primitive man who tried to be a jack of all trades and a master of none. Here below is the exact quotation on page 13-14: It says: "It is impossible for pals very quickly from one kind of work to another, that is carried on in different places, with quite different tools. A country weaver, who cultivates a small farm loses a good deal of time in puffing from his room to the field, and from the field to his room. When the two trades can be carried on in the same work place in the same work house no doubt much of the time would be saved……… A man who commonly faunters a little in turning his hands from one fort of employment to another. When he first begins the new work he is seldom very keen and hearty; his mind as, as they are fay, does not go to it, and for some time he rather trifles than applies to good purpose……. Which is naturally, or rather than necessarily acquired by every country workman who is obliged to change his work and his tools every half an hour, to apply his hands in twenty different ways almost every day of his life renders him almost always flothful and lazy and incapable of any vigorous application even on the most preffing occasions".

It is not only the lack of specialization of our producers that was a problem for our economy. As already alluded to above, the very concept of profit was not known. There was no quantification of the costs of inputs as compared to the final price of the product. The difference between the two is the profit. Capitalism came to emphasize the idea of maximizing profits. In earlier societies, profit was not emphasize so much. In fact, in some cases it was treated as indecent to look for profit. In the **"Merchant of Venice"**, Shake Speare's novel, Slylock, the Jew, is ridiculed as too greedy ─ wanting a "pound of flesh".

When I salute the contribution of Adam Smith for his contribution to economic thought, I am not oblivious to the limitation of that thought. While that thought introduced the concepts of specialization, division of labour and exchange and, therefore, helped the enhancement of efficiency, this was useful at the micro-economic level. I have not read enough to know whether it addressed the macro-economic issues of the economy. Those un- addressed issues at the macro-economic, eventually, produced a crisis for capitalism in the form of the collapse of 1929 and the depression of that time. Nevertheless, it is my conviction that in many parts of Africa, the systems of production pre- date Adam Smith. A man builds his own hut, cultivates his own food, grows his own tobacco, makes his own fire (Okusiinga oburiindi), makes his own shoes (Okurema enkaito), processes his own medicine from the herbs, he is a veterinary operator for his own livestock, educates his own children. Therefore, Adam Smith's insight would help us even today in this respect. Of course, in the context of Europe, it helped to expose the fallacy of bullionism and the physiocrats. The bullionists believed that gold and silver were the source of wealth. Adam Smith said: "No". "Specialisation, division of labour and exchange", created efficiency in production which is the source of wealth. The physiocrats, based in France, believed that agriculture is the source of all value. They had not yet understood the strength of industry in terms of creating wealth and jobs. Later on, of course, Karl Marx created more confusion by saying that all value came from labour ─ trying to highlight the importance of labour. Yes, labour was important but entrepreneurship is also very decisive and so is land (natural resources). I am, therefore, saying

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Good Will Tiles

Commissioning of a Factory at Namunkekera Industrial Park

that some parts of Africa are so backward, are so irrational in their economic systems, that they need to understand Adam Smith, who may be out of date in other parts of the world.

Therefore, that stage of our development could not have guaranteed our prosperity in terms of good housing; transport (the answer was walking); medicine; always having water at the right place; clothing (we had to rely on bark cloth and skins — although cotton fabrics were beginning to filter in from the Coast); and, occasionally, even food. The last problem is preserved for our information by some of the people's names such as Lwamafwa. Amafwa means famine.

When the British and the other colonialists took over Africa, they started to try and co-opt our pre-capitalist societies to the capitalist societies ofEurope but on very disadvantageous terms of producing raw-materials in the form of agricultural and mineral inputs for European factories where machines had greatly boosted the production of products eversince the invention of the steam engine by Thomas Savery (1698) and the steam driven locomotive by George Stevenson (1823). The use of engines started when people like Jeronimo de Ayanz, a Spanish miner, in 1606, started using steam to operate machines, initially machines for pumping water out of mines. The concept of using steam powered machines to pump water, later made people to think of using steam powered trains, ships, etc. Eventually, steam powered engines led people to discover the intenal combustion engines, using liquid fuels. That is how the Europeans moved from muscle power and non-mechanical power (e.g. horses) to machine power.

What is clear is that England pioneered the Industrial Revolution between the years 1760 and 1820. They migrated from the use of muscle (the hammer) to engines of different types. Supplying raw-materials to European factories in the form of palm oil, cotton, leather, minerals, etc., meant that you only got about 10% of the value of the final product. Therefore, the African was being used by the now global capitalist system but not benefitting from the capitalist system. In any case, these capitalist penetrations into the pre-capitalist societies of Africa, with our fragmented markets, were shallow. That is how the economists coined the term: "enclave economies"; — economies that were characterized by having small islands of pseudo — modernity (producing raw-materials) surrounded by a sea of pre-capitalist backwardness described by Adam Smith.

In the case of Uganda, the small island of pseudo-modernity comprised of the 3Cs and 3Ts. These were: Coffee, Cotton and Copper; and the 3Ts were: Tea, Tobacco and Tourism. Coffee was not roasted locally at all. Some little cotton was used by Nytil Textiles; but the rest was exported raw. Out of the 480,000 bales produced in 1969, only 45,000 bales were used by the local textile factories. Even the Nyanza Textiles were part of late reforms by Sir Andrew Cohen (Governor 1952-58) through the Uganda Development Corporation

(UDC). Copper was not fully processed. It was only processed to 94% purity (blister copper) instead of the 99.9% purity (cathode copper). Blister copper cannot be used in the cables industry (Mehta) or in the making of transformers or making bullets. In spite of producing copper in the 1950s to 1970s, the cables industry had to use imported cathode copper. This, obviously, denies the opportunity of using cheaper local inputs in our electrical goods; industries (cables, transformers, bullets and other electrical appliances), etc. This enclave island of pseudo-modernity was employing 150,000 people by 1970 out of a population of 9.446 million people.

The bad luck of Uganda and other parts of Africa, owing to the weak political and military structures of the neo-colonies, was that even these enclaves could not survive. In the case of Uganda, Idi Amin and the ineffectual OboteII, had almost completely destroyed the 3Cs and 3Ts by 1986. Cotton was gone; Copper was gone; Tourism was gone; and Tea was gone (from 23 million kgs to 3 million kgs). It was only coffee and tobacco that were still limping on. The small pseudo-modern enclave had been replaced by the informal activities of magendo (smuggling), kibanda (currency black market) and kusamula (speculation in goods). The tax base had disappeared. The total economy ─ monetary and non-monetary ─ had shrunk by 25% by 1986 compared to 1970(Collier and Reinikka, 2001). In dollars, the size of GDP in 1986 was US$1.26 billion.

That was our starting point. What stimuli did we apply to restore the small island of pseudo-modernity, expand it and deepen its quality? The following were the stimuli:

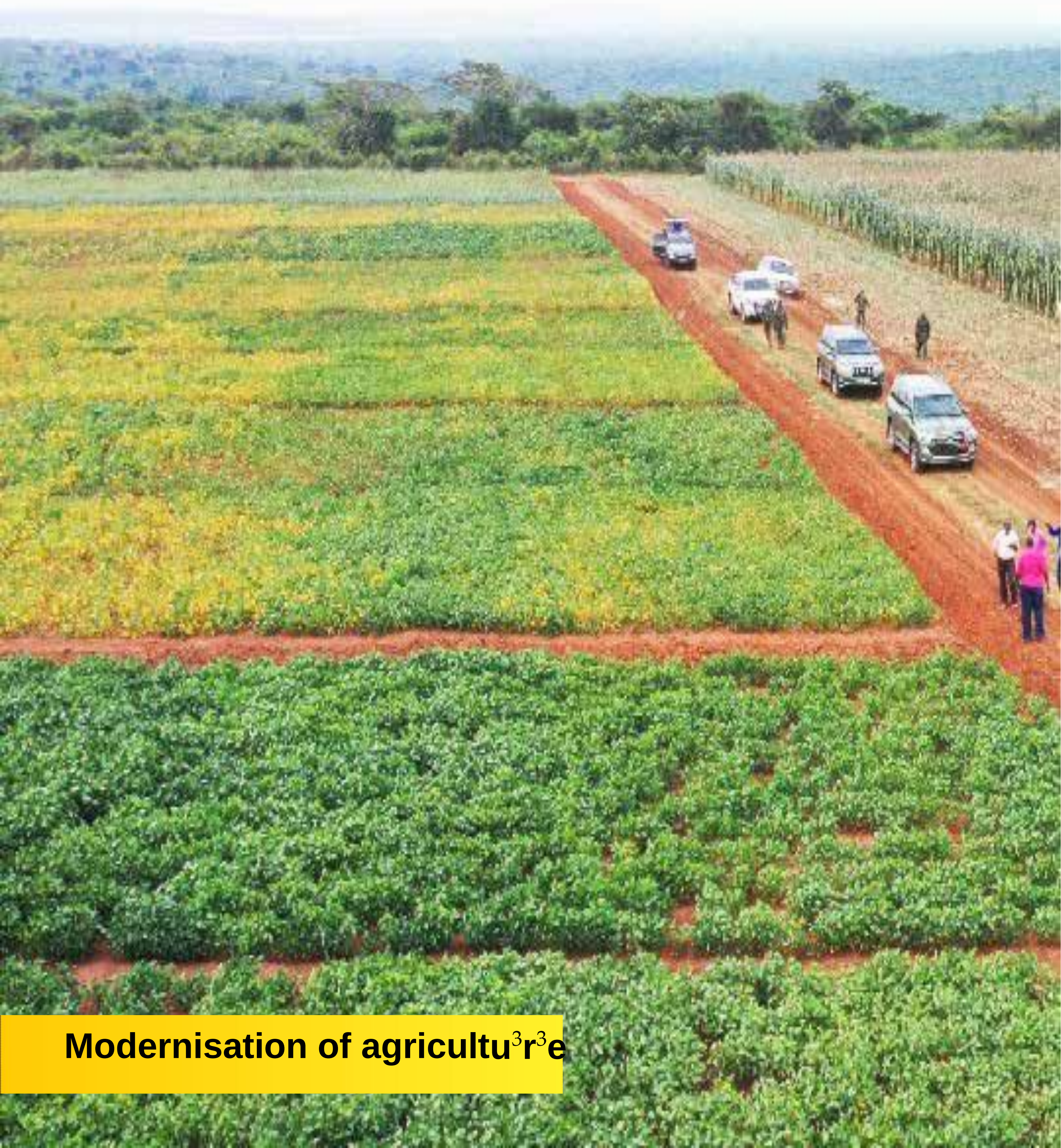
1. Security of person and property by disciplining the Army but also by returning the property of the Asians that Idi Amin had confiscated precisely because he did not understand the role of the 5 factors of production in growth and transformation of economies.

2. Privatization and liberalization of the marketing of, for instance, coffee, produce, transport, hotels, etc. These two had the effect of creating more space for the private sector. Take transport and hotels. More buses, more taxis, more hotel rooms, etc., have been acquired or created in the economy by the mere fact of the government withdrawing itself from the monopoly of bus transport and hotels. This liberalization, including the liberalization of the control of foreign currency, enabled enterprenerial minded people from within Uganda and from outside Uganda to take up opportunities vacated by the government in acquiring buses, taxis, boda-bodas, building hotels, etc. Even the import business was a monopoly of the State at one time, with Mpambara's National Trading Corporation (NTC) and Idi Amin's Foods and Beverages. How many businessmen/

Nytil Factory

Improved rearing of cattle - Kisozi NEC Farm

Dairy farming improving rapidly



Modernisation of agriculture

Commercialization of agriculture

women have grown rich by participating in imports, taking advantage of Uganda's purchasing power — a wealth in itself? Look at the shopping malls, the real estate houses, etc.

3. The return of Asian properties enabled the resurrection of the sugar industry, in particular, as well as the tea industry to some extent. Besides, the respect for the private property, created confidence internationally and Foreign Direct Investment flowed in. When I started UMA with the late Mulwana, in 1988, we only had 80 factories. We now have a total of 4,024 factories, over 1,324 hotels, 72 of them are graded hotels and over 300,000 commercial transport vehicles (buses, mini-buses, taxis and boda-bodas).

4. We advised Ugandans to abandon the ridiculous colonial categorization of only some few crops as "cash crops". These were coffee, tobacco, tea and cotton (part of the 3Cs and 3Ts). Maize was not a cash crop, beans were not a cash-crop, bananas were not a cash-crop, fruits were not cash crops, milk was not a cash product, beef was not, vegetables were not, eggs, etc., etc. This has enabled Ugandans to expand the spectrum of cash products. Maize now brings US$ 262million in the form of exports, milk and milk products bring in US$130million. This is not to talk of the billions of shillings in internal trade for bananas, onions, etc.

5. The NRM, right from the time of our student activities from 1963, realized that the internal markets of many of the individual countries are never big enough to enable the prosperity of the citizens of countries. It was that search for the integration of markets that had caused the unifications of Germany in 1871 and Italy in 1860. China and India, each with an internal market of 1.3 billion people, could not realize rapid growth of their economies until they opened their economies to enable trade and the inflow of investments from the whole world. It is, therefore, total lack of seriousness for the so called leaders in Africa that do not see this point and simply waste people's time with all sorts of trivialities. The NRM, therefore, worked with Kenya and Tanzania to revive the EAC and expand it to include Rwanda, Burundi and South Sudan. We are now exporting to the region goods and services to the tune of US$3,943billion and importing from the region goods and services to the tune of US$1,673billion. This gives Uganda a trade surplus of US$2,270billion. This is only important to the extent of indicating Uganda's recovery from the collapse of 1971-86. Otherwise, we are still near the start line. Much more is possible and much more will be achieved. More importantly, East Africa can negotiate more credibly with the other international players —the USA, China, India, Russia, etc.

6. Another stimulus to business, has been the Boona bashome — education for all — in the form of UPE and USE. Although these are not specially oriented to entrepreneurship yet, education brings enlightenment that enables people to get out of the kulambala (nino-sleeping) of Africa, where people are poor in the middle of wealth (natural resources —land in economics). You can see this in the youth programmes. Some of the youth groups, assisted with capital, are doing well.

7. However, business cannot do well unless you deal with the issue of input costs — the cost of raw-materials, the cost of labour, the cost of electricity, the cost of transport, the cost of money, the cost of insurance, etc. Having wasted alot of time with the World Bank, in 2006, I alerted the NRM Caucus and the Cabinet about the cul-de-sac we were getting in by not addressing this issue. That is when we decided to raise money for the roads from Shs. 398bn to Shs. 3,442bn 2015/16; money for electricity was raised from Shs. 178billon to Shs. 2,858billions 2015/16. Although the roads are not very crucial in cost reduction, the fact that we have good roads from East to West, North to South and North West to South East, makes the movement of tourists and other human beings easy. The issue of cheaper transport costs will be resolved when the Standard Gauge Railway gets to Kisumu and we start using water transport as well. Our decision of 2006 definitely helped with the supply of electricity. We shall soon have a total of 1,800megawatts with the completion of Karuma and Isimba compared to the 60 megawatts of 1986. The only problem is the high cost of electricity on account of the bad agreement on Bujagaali where the cost per unit would be 13.38 American cents if it was not for the subsidy the government gives, which has now reduced the cost to 8.3 American cents. Otherwise, the power of Nalubaale and Kiira is 2 American cents per unit. The one of Karuma will be 4.97 and the one of Isimba will be 4.16cents. This, however, will be resolved.

   On the cost of money for manufacturing and agriculture, the answer is to capitalize the UDB so that it gives loans whose cost does not exceed 12% per annum.

8. Once we have attended to the 7 points mentioned above, one other issue that we need to deal with is the issue of corruption. This is easy to deal with because the original civil servants have discredited themselves sufficiently to be dispensed with easily without any sympathy from the public. We shall replace any and all that are found to be corrupt. We have enough replacement unlike in 1986 when we only had peasants, alot of school leavers and a few educated people active in the NRM/NRA.

9. There is the issue of skills. UPE and USE have improved literacy. Literacy and numeracy, however, are not skills — technical and professional. That is why, since 2005, I gave a directive to ensure that 70% of government

sponsorship goes to science education in the universities. At lower levels, we are intensifying technical education, with a technical school per district and, eventually, per constituency. There are now 146 technical schools in the country. CEC and all the NRM members need to support my policy of paying Government Scientists salaries that are comparable to international standards. Well paid scientists and technicians would more easily support our industrialization and many of them are inventors.

10. One of the continuing gaps is the problem of the 68% of the homesteads that are still in subsistence farming, according to the 2014 census. This is a failure of leadership by the successive waves of leaders we have had eversince 1996. I invited you to Rwakitura to see the work I did in 1966 with my colleague, Mwesigwa Black, who died in the fighting of 1972. These former nomads have been transformed into settled commercial dairy farmers with reasonable monthly incomes, permanent houses with solar power on top of tap water from water harvesting. Many children are going to universities through private sponsorship and all children are going to schools.

    All homesteads in the rural areas must, therefore, similarly engage in profitable commercial agriculture. Since many of them have small pieces of land, on account of the backward practices of inheritance, after careful study, I advised them to go for improved coffee, fruits, pasture for dairy farming by zero-grazing, food crops (cassava, bananas, Irish potatoes, etc) and the backyard (ekanyima) activities of poultry for eggs, pigs as well as fish farming where feasible and apiary. Many of these products have national, regional and international markets and they bring in more money per acre per annum if compared to maize, cotton, tobacco, tea, indigenous cattle-keeping, sugar-cane, etc., that bring in much less money. Since 1995, after I had confirmed the correctness of my model, I have been bringing delegations here, talking about this model and writing about it. Few are bothered about this. They continue with sterile leadership. What is leadership for if you do not have a formula for solving people's problems?

11. The youth are not a problem. We have many youth because the NRM saved them from dying young. In 1987, Dr. Rugunda, Minister of Health then, invited me in Entebbe to launch the UNEPI (Uganda National Expanded Program on Immunization). At that time 96,000 children were dying per year from the six preventable diseases. These were: polio, whooping cough, measles, tetanus, tuberculosis and diptheria. By stopping those deaths, the population of Uganda has jumped from 14 million people in 1986 to 40 million people today. This is good. The parents of these children and their grand-parents are in agriculture. Some of the youth have gone into services ─ bodabodas, taxis, singing, etc. We need to take some of the youth back into agriculture and many of them need to go into manufacturing. Look at the big import bill of Uganda of US$ 5.6 billion.

What are they importing? They are importing: textiles, leather goods, alcohol and beverages, electronics, iron and steel, etc., etc. Many of these can be manufactured by our youth with a little support from the State. Shoe-making, knitting sweaters, cloth-weaving, furniture making, fruit and food processing, cutting stones for construction, jewelry making, making paper from banana fibres, making strong textile from bark-cloth, leather-tanning, processing herbal medicine from the indigenous herbs, assembling and manufacturing electronic gadgets, making electrical transformers, etc., etc. This youth force will be turned from a liability to an asset.

Hence, our economy of four sectors — commercial agriculture, manufacturing, services and ICT — will absorb and render useful all our active population. They will produce goods and services for import substitution and export promotion. Working with EAC, we shall consolidate the EAC market and use the EAC to negotiate for access to foreign markets. By attending to the 11 points above, we cannot go wrong.

I thank you.

23rd December, 2018 - Igongo-Mbarara

Address

By

H.E. Yoweri Kaguta Museveni

PRESIDENT OF THE REPUBLIC OF UGANDA

ON

REAL ECONOMY VS VULNERABLE ECONOMY

15TH APRIL 2020

REAL ECONOMY VS VULNERABLE ECONOMY

In the Book of Matthew: Chapter 7, verse 26-27, it talks about the unwise man that built his house on sand. It says: "But everyone who hears these words of mine and does not put them into practice is like a foolish man who built his house on sand. The rain came down, the floods came and the winds blew and beat on that house; and it fell ─ and great was its fall".

Similarly, in Economics, we must identify the firm ground from the sandy ground. The firm ground for economics is in answering the fundamental human needs which are: food, clothes, shelter, defence, the human resource development (education and health), infrastructure, medicine and spirituality. With these, the society is secure. It is these that support life, morality and enlightenment. With all or some of these, you have the basic economy that is firm.

When conditions permit, however, you can also take advantage of the leisure and pleasure economy of tourism, hospitality (hotels, bars, night- clubs, Casinos) and entertainment such as concerts, sports, etc. This type of economy should be understood for what it is: a fair-weather sector that is rewarding but very sensitive.

It is sensitive and vulnerable. Any disturbance can damage it because the tourists do not want any risk and they are right.

Even without the corona-virus, the NRM has been advising Ugandans to concentrate on the nine needs of our society and the World: food, clothes, shelter, medicines, defence, physical infrastructure (electricity, roads, rail, ICT), health, education and spirituality. The demand for these nine is not ephemeral; it is durable, it is eternal. Even this crisis cannot affect them fundamentally. Why? It is because they are the most basic needs.

The others are additional and optional. The latter, if available, are welcome; if not available, their absence is survivable.

This is why I do not easily join the pessimists in predicting doom for Africa on account of this disease that is easy to prevent, especially here in Africa. The other day, I said that the problem is not the disease but the indiscipline of the society in not observing the three things: do not cough or sneeze in public, without a protective tissue; do not get close to one another; do not touch your soft parts of the face (the eyes, the nose and the mouth) with unwashed hands. Otherwise, the disease is easy to stop. Nevertheless, as long as it is not stopped, the first casualties of this disease are the very sectors that are not basic to the needs of the society ─ the optionals, the additionals. No doubt, the sensitive tourism cannot survive. How will it survive, if people cannot sit together in crammed air-crafts ─ those flying coffins ─ tourist mini-buses, etc.? How can the remittances of the Ugandans working abroad survive if those Ugandans are trying to flee and come back home and, if they cannot, they are stuck in little cubicles, not able to work, because of the total shut-down in all the countries of the Global North (North America, Europe and Northern Asia)? It seems that those countries may be more vulnerable than the Global South, without a vaccine or treatment, on account of their public modes of transport, staying in shared blocs and, apparently, some of these viruses thrive in the cold climates rather than the hot ones. The optional, the additional needs for the society and the demand for them cannot, therefore, easily survive this shock. This, however, cannot and should not apply to the basic needs of society, the nine, in which Uganda excels: food, clothing, shelter, medicine, defence, physical infrastructure, health, education and spirituality.

Let us go, one by one as follows:

(1) Food, in Uganda, is produced by the 5 million families of Ugandans, farming 17.2 million acres of the 40 million acres of Uganda that are suitable for crop and livestock farming, according to the 2014 housing census. These grow:

1. 5 million tonnes of maize;
2. 10 million tonnes of bananas;
3. 1.76 million metric tonnes of beans and other plant protein bearing crops (peas, cow-peas, etc.);
4. 218,000 tonnes of Irish potatoes;
5. 2.5million metric tonnes of sweet potatoes;
6. 4.1 million metric tonnes of cassava;
7. 392,000 metric tonnes of millet;
8. 6 million metric tonnes of sugar-cane, that gives 500,000 metric tonnes of sugar;
9. 60 million kgs of processed tea;
10. 5 million bags of coffee;
11. We rear 14 million heads of cattle, 14 million goats, 50 million chicken, 1million sheep and catch 447,000tonnes of fish from our Lakes, etc.

The above are about 14 production lines of different foods or beverages, where, even if we were to concentrate on just one or two, we would have a very strong durable economy by World standards. You have heard of the milk industry of Ireland. Milk is, apparently, the only major agricultural activity of Ireland, that takes up approximately 80% of all the agricultural land and earns Ireland US$5.2billion. How about the milk in New Zealand? It earns that country, US$7.8billion. How about beef in the semi-arid Botswana? How about coffee in Vietnam? Coffee collects US$5,682million for Vietnam. How about coffee in Brazil in the past? Uganda is not talking of one agricultural activity. We are talking of 14 separate products dealing with the food and the beverage needs of man, within Uganda, within the region and internationally. Let us maximize value from all these.

(i) Let us add value to maize by making the maize flour, all categories of animal feeds for poultry, starch for our pharmaceutical industry on which we spend US$20million per year and ethanol for driving cars, if necessary.

(ii) With the bananas, we should support Mrs. Florence Muranga to make the superior banana flour to replace wheat for baking; make starch for pharmaceutical needs for export in Africa and the World after satisfying our internal needs; bottle the eshaande for Africa and the World as one of the sweetest natural juices in nature; of course, intensify the waraginization now that, that dangerous product can end up as a more useful sanitizer for medical and hygienic purposes; make foods of all types, knowing that bananas are rich in potassium which is good for heart muscles and also for lowering blood pressure as well as vitamins A, C, B6 and magnesium. Baby foods, known as puree, are made from bananas.

(iii) You come to cassava. What are the values from cassava? Apart from eating it in the traditional way, with ebishate, slices of cassava, you can make cassava flour which you mix with millet flour, makes the very good mutsiba meal (elastic in texture), make ethanol for cooking using stoves, pharmaceutical grade starch, starch for baking bread instead of wheat, etc. Imported wheat for the unhealthy wheat bread with gluten, now takes from us US$300 million per year.

Out of cassava one can, apparently, also make bio-degradable packaging materials.

(iv) Out of beans, we can get bean cakes, baked and canned beans, noodles, instant extruded bean sauce, cooked and frozen beans.

(v) Out of Irish Potatoes, we get chips, crisps, noodles, starch, potato flour, glue, animal feeds, ethanol, glucose.

(vi) Out of sweet potatoes, we can get starch, puree, noodles, high glucose syrup, flour bread, animal feeds.

(vii) Out of millet, we can get flour, animal feeds, millet hulls in textile industry and pillows, fermented porridge (obushera obutaire), alcohol, etc.

Commercialization of Agriculture - Kisozi NEC Farm

(viii) Out of sugarcane, we can get raw sugar, refined sugar, molasses, bagasse, ethanol, gasohol (ethanol mixed with petrol), electricity by burning bagasse, gin and rum, fiber board (ceiling boards), particle board, furfural and acetic acid, manure, bagasse ash.

(ix) Out of cattle, we get milk, beef, skins and even horns. All these are very valuable raw-materials. Out of milk, we get liquid milk, powdered milk for long distance transport, butter, ghee, yoghurt, cheese, caissene, the lactogens, etc. Right now Uganda is suffering with alot of unsold milk on account of the work we did to build the milk industry. However, milk products to the tune of US$4.565million are still being imported. Which are these? They are cheese, butter, ice-cream, yoghurt, sour-milk, cream, etc. The global market for dairy products is worth US$718.9billion. We should share in that market.

(x) Beef: Fortunately, Uganda has alot of beef and it is so cheap, at only US$2 per kg while in London, a kg of inferior beef is US$17. In Japan, it is at US$200 — known as Kobe beef. I have not heard of any body making tinned and salted beef for the Army. It was only Tanganyika Packers in the 1960s that was making tinned beef known as: "3Bulls". How about exporting the beef? People are dying in the World on account of eating bats, monkeys, etc. Let us save them. What is true of beef, is true of chicken, goats, sheep (mutton), pigs (ham and sausages).

The global demand for these meats, which we have here in plenty, is US$945.7billion in 2018 and was forecast to increase to US$1,142.9 billion by 2023. How much of it is Uganda earning? This is a great opportunity. You have heard the parochialist farmers in Kenya crying about Uganda milk, the Uganda poultry, the Uganda maize, etc. Yet, we are just scratching the surface of our capacity. Uganda, provided we have patriots in charge of these sectors, is unstoppable in terms of agricultural products and agro-based industrial products. Some of the meat parts were used for medicine in the past. What is the situation now? Wasn't insulin being made out of the pancreas of livestock? What is happening now?

(xi) How about our perennially under-utilized coffee, whose volumes we have now pushed to 5 million bags? We are getting only US$416million from coffee because we sell it unprocessed. If we roast it and grind it and package it, we should be earning about US$4billion.

(xii) Tea: Are we maximizing our earnings from tea? How much do we get per Kg of processed tea and how much are the intermediaries charging the final consumer?

(xiii) Cocoa: How big is the chocolate industry in the World? It is US$43.13billion. We are only earning US$75.463million (2016) and US$65.126million (2018) from our cocoa crop of 30,752 tonnes, exported unprocessed as mere cocoa beans.

(xiv) We are earning US$175.97million from processed fish, from our 12 factories currently operating. If we were to stop bad fishing, we could catch 700,000 metric tonnes of fish per annum, instead of our present 470,000 metric tonnes, but, the exportable Nile Perch would be about 45,000 metric tonnes. This would enable us to earn US$301.59million per annum. There are, however, some fish parts that we are not benefiting from. There is ennuni. This has alot of money, I hear.

All these are the foods, beverages and other industrial goods (ethanol, medicine, etc.), from the food-crops, fisheries and livestock wealth of Uganda to deal, mainly, with the food needs of Uganda and the World.

Remember, here, we have dealt only with food, beverages and some industrial products (starch, etc.), from food products.

(2) Clothing: In the previous section, we dealt with livestock as a source of food (milk, meat, etc). However, livestock are also a source of raw-materials for clothing and other industrial products. One of the main raw-materials is leather for making shoes, belts, hand-bags, jackets, car seats, etc. These, together, take US$328.944million out of Uganda. Besides, the global demand for leather and leather products is US$72.36billion. Moreover, there are yet the fibres that are wholly dedicated to clothing the human being. These start with the cotton of which we are now producing 185,000 bales per annum. The cotton plant produces fibre for cloth, cotton seeds for vegetable oil and making animal food and linters for making gun-powder (nitro-cellulose). Then, there are other fibres that can make cloth such as bark-cloth, banana-fibres, making paper for packaging, etc. In future our petroleum industry, will give us synthetic fibres such as polyester that we should mix with our cotton to produce very strong cloth. We can, however, import those polyester fibres for now. Therefore, our contribution to clothing the human being, in Uganda and outside, will be based on cotton and leather, whose raw-materials we have in plenty. The imports of cloth and shoes and curtains and car seats are currently taking a total of US$328.944million per annum and all the jobs that go with it.Our efforts to clothe the human beings could cover the weaving and knitting. Weaving makes fabrics, while knitting

makes sweaters. Uganda is already making blankets, bed-sheets, etc. Are we not importing hospital linen? Why? If so, how much is it taking from our hard earned dollars? The global business of textiles and leather products is US$1,015billion. Why should Uganda fail to benefit from this?

(3) The third basic area to cover is housing ─ shelter. In the olden days, we were using emigaanda (small size branches that would form the base of the bifuuha – hut), ebikoondo (poles) for the mud huts (ebiteteyi), emiingo (reeds) for the Rukaanga (roof) and grass (obwiriiza) for thatching. With exposure to other cultures, we adopted new concepts of shelter, using permanent materials that are labour-saving ─ you do not have to rebuild the structures often. It was, therefore, more rational to use the new technology of shelter provision provided it is tailored to the local conditions so as to, for instance, eliminate the terrible air-conditioning that we do not need. Fortunately, we are already producing some of the materials that we need to build modern houses. We are autonomously producing cement, bricks, tiles and steel-bars (mitayimbwa), locally. Cement is from our limestone and we have reserves of over 1 billion tonnes of it. Tiles and bricks are from our clay (eibuumba) whose scientific name is Kaoline. Unfortunately, for mabaati (corrugated iron sheets), we are still using imported steel sheets that consume US$444.619millionsof our dollars. By developing our iron-ore (obutare) into an indigenous steel industry, we shall eliminate this haemorrhage and we can also export to other African countries. Recycled steel products cannot be used in high-rise buildings, dams, etc. That is why we need fresh steel, sometimes alloyed with some of the minerals that are being squandered today, such as nickel, titanium, manganese, etc., to close this gap.

With shelter, one of the products needed for modern housing is sheet glass. Sheet glass is from sand. This will be made here. We are now using US$27.95 million for importing glass for housing, bottling, etc. This would be saved and we can export to the other African countries. The demand of steel in the World is US$2.5trillion.

Uganda is endowed with incredible amounts of some of the strongest building and paving materials. These are granite and marble. Streets which were paved with stones in Rome when St. Peter was crucified by the Romans, are still there up to today, 2000 years later. Marble floors can last forever. In one site in Rupa sub-county (Matheniko ─ Karamoja), there are reserves of 560 million tonnes of marble. See the pictures below that I took there recently.

From Grass Thatched houses to Modern Houses


216

Mulago Specialised Women Hospital


MULAGO SPECIALISED HOSPITAL
MATERNAL & NEONATAL CENTRE

The global demand for marble is US$52 billion (2016) and it was forecast to increase to 64billion in 2023. It is quite an achievement to be poor in such circumstances.

(4) The fourth basic need of man is medicine and veterinary drugs for our livestock and drugs for our crops. Medicines and medical equipment currently take up US$383.035million including veterinary drugs and equipment. Agricultural inputs – fertilizers (US$38.996million), insecticides, fungicides, rodenticides, herbicides and the like (US$ 82.56million), take up to US$121.556million. The medicines and veterinary drugs must include all the vaccines and diagnostic tests. How much do all these consume? Moreover, the global demand for medicine, veterinary drugs and vaccines for humans and livestock is US$1.418trillion. Africa never shares in this business or shares very little.

(5) The fifth human need is defence and security. Since time immemorial, the Africans were making spears, arrows, bows, swords and shields, to defend themselves. The problem for Africa is the lagging behind other parts of the World in the last 500 years in all areas of technology, including defence. Africa squanders alot of money in the importation of weapons. In the last financial year, Africa used US$40.2billion to purchase weapons, most of them ineffective if we judge by looking at the terrorists that are ravaging Africa. Uganda, in order to modernize our Armed Forces, is using US$1.8billion in the 3 years up to 2023. This haemorrhage must be stopped. The street cameras must be made here, the bombs, etc.

(6) Physical infrastructure and transport platforms. Once you deal with the five human needs of: food, clothing, shelter, medicine and defence, we find that most of those needs are satisfied by factory products that use raw-materials from agriculture, forestry, fisheries or minerals. In order for the factories to operate, they need electricity, transport (vehicles, roads, rails, planes, trains, ships, motor-cycles), etc. Our scientists are already making electric buses and Kayoola (mini-bus), Katabazi's bus, NEC (on my instigation) has mechanized the African concept of fighting fire (kuteeera omurirro), we are now making Infantry Fighting Vehicles (IFV), etc. With Shs. 400billion, this industry can take off – i.e. the transport vehicles' industry. There are many investors

in the manufacture of transformers, cables, meters, etc., that we should link with our copper minerals at Kilembe. That copper mineral must be purified up to 99.9% into pure cathode copper instead of the previous joke of purifying it up to 94% blister copper that could not be used in our copper consuming industries like the Cables Industry of Lugazi. What irrationality it was to witness rail truckloads of Uganda blister copper going to Mombasa and Mehta had to import the copper from abroad to be used in the cables industry! Apart from the vehicles that we are already making, we must, eventually, aim at the heavy industry of making turbines for power generation. We should, however, start with making the alloyed steel for rail roads, power dams, alloyed from nickle, the other minerals the people of our minerals department have been fighting to donate to foreigners against my determined opposition. Therefore, physical infrastructure is the sixth most important element in our basic and vital economy that deals with the most basic human needs.

(7) The 7th most important need is to have a population of educated and healthy people that can do all these things, having, not only education of theory, but also the scientific and technical skills of running a modern economy. Fortunately, the NRM has already done a commendable job of building the educational infrastructure in the form of 36,285 Primary Schools (Government and Private), 5,553 Secondary Schools (Government and Private), 1,543 Technical and Tertiary schools (Government and Private) and 49 Universities. The skeleton of this infrastructure for numeracy, literacy, skilling and intellectuality is already there. We just need to deepen the content. The Pre-primary institutions are 7,308.

(8) When we talk of the human resource development, you cannot forget health which involves: immunization, hygiene, nutrition, vector-control, treatment, maternal health, etc. In order to do all this, we have built1,079 HC IIIs, 182 HC IVs, 53 District hospitals, 14 Regional Referral hospitals, five (5) National Referral hospitals and five (5) Super Specialized hospitals. Building this capacity is both an opportunity and a challenge. Therefore, the story of saying that we are allowing in medicine, veterinary drugs or scholastic materials from outside tax-free, is not correct. All or most of the medicines, vaccines, scholastic materials, etc., must be made here so that that importing stops. Health and education should not only be sectors of expenditure and importing (kusasanya n' okusaka), but also sectors of business, import substitution, export promotion and jobs creation.

(9) The ninth crucial human need is morality. Where does morality come from? It comes from spirituality (the fear of God) and, sometimes, from culture (obuntu bulamu). Both religion and culture play a crucial role here. If our religious and cultural groups could emphasize the double mandate of establishing "dominion over nature" and "multiplying and

Gulu City

Developed infrastructure

filling the Earth" **(Genesis Chapter 1, verses: 28-29)**; the two greatest commandments: "Loving God with all your heart, with all your soul and with all your mind"**(Mathew 22:36)**; and "loving your neighbour as you love yourself"**(Mathew 22:39**); and "the story of the talents" **(Mathew 25:14-30)**, as a minimum according to my understanding of Christianity, this would create a good foundation for our youth and the population in general. I do not accept the escapism of some preachers who blame everything on God and disclaim their own responsibility. We are not cows or goats. We were created in God's image and we need to solve problems with God's blessings. Spirituality and morality would help with fighting corruption.

When we are planning for these nine (9) areas, we should not only plan for Uganda ─ because the internal market is not enough. We should plan for the African market and also the international market on the basis of the concept of comparative advantages in a dynamic manner (after partners have fully developed their potential). Therefore, Uganda may not have to undertake each and every one of the activities above. We shall pick some and our brother African people will pick others. Then, we can trade among ourselves and also with the others. It will all depend on the competitiveness of the respective countries.

I have, for instance, already advised that the factory for fabricating the oil pipe-line sections, should be based in Tanga, Tanzania, as long as the steel is still coming from outside. I have even seen a proposal from one industrialist saying that the iron-ore of Uganda should be carried by train to Mombasa so as to meet the imported coal there to make cheaper steel for East Africa. Other ideas are, however, coming up saying that we do not have to use coal. We can use hydrogen as a reducing agent in steel manufacture. There was also the idea of using methane gas from Lake Kivu in Congo and Rwanda. Minimum costs, maximum profitability in each of these situations, should be our guiding principle.

After securing the basic economy that does not depend so much on human movement, but depends, more on cargo movement, by train, by ship, by truck, by plane, then we turn to the additionals if conditions permit. These are the sectors of: tourism, externalization of labour (kyeyo), hospitality (hotels, etc.), leisure (bars, casinos) and entertainment (music, drama, sports, etc). Of all these, sports should be regarded as part of the vital economy. This is, however, sport for fitness. Sports for entertainment and, especially for commercialism (professional), would fall among the optionals ─ if conditions permit.

I, therefore, reject totally the view of the neo-colonial economists that are mourning the current shake-up of the distorted and parasitic World economic system in which Africa has got a very limited role on account of the neo-colonial African actors (politicians, civil servants, etc.), supported by their imperialist masters. It is good that some of the leaders in the World, when dying on a mass-scale (ekyorezo) was on the table, started talking of only "producing for their national needs". Where would that leave the perpetually dependent Africans? Good lesson for the neo-colonial agents.

I told one of our officials that, as a Christian and an indigenous African that never believe in okuhemuka (to let down others), I did not want to hear of the banning of the export of food because Uganda needs it or the export of sanitizers because Uganda needs them. Produce more. This is both a duty to Africa, to humanity, but is also an opportunity to use the under-utilized vast resources of Uganda to solve our problems and humanity problems. The maximum you could say, is that we shall reserve 30%for internal use.

Therefore, patriots, Pan-Africanists, disregard the nonsense of the neo-colonial agents who have for long abused our respect of the principle of broad-based politics when they are mourning the shake-up of the parasitic system originating from the 500 years of betrayal by the African chiefs, who failed to unite in the face of imperialist aggression, by this virus. Let us, finally, without compromise with any neo-colonialist agent of whatever description, implement our decades — old NRM points nos: 5 and 9. Point no. 5, talked of building an integrated, independent and self-sustaining national economy, linked to the African economy through point no. 9 — the co-operation among the African countries.

We already have the basics, the obstructions by the neo-colonial agents notwithstanding. We have enough electricity. We have good trunk roads. We have alot of educated people, including the scientists who, now, must be paid well and we have a healthy population, on account of the immunization, of 42 million people that will be 106million by 2050. This is all part of the 1.25 billion African population that will be 2.5billion people by 2050.

We must, first and foremost, start with the basic economy for the nine (9) basic needs of man: food, clothing, shelter, medicine, defence, infrastructure, education, health and spirituality for the population. This is the economy for survival and good living. It is durable and not opportunistic and ephemeral. It will be there whether there are wars in other parts of the World or whether there are epidemics like this one. All it needs are: cargo planes, trains for cargo, lorries for cargo and ships for cargo. People will be served where they are, even if they do not move. We shall also continue to benefit from the opportunistic and ephemeral leisure and pleasure economy of: tourism, music, bars, cinemas, concerts, etc., if the conditions allow. However, this time, we must be awake to its vulnerabilities: terrorist attacks somewhere, fear or onslaught of epidemics like this one, even cycles of elections (people fear to travel when Africans are holding elections), politically motivated advisories by the Governments of origin, etc. However, there is no harm in Uganda benefiting from these industries when they are not under attack. The externalization of labour (kyeyo), is a temporary phenomenon.

By implementing what I have outlined above, especially if we work with other

Murchison Falls

Liao Shen Industrial Park

Kapeeka / Liao Shen Industrial Park

Africans, we shall create so many jobs that it will no longer be necessary for our children and grand-children to go abroad. Some of our children, especially, the doctors and nurses, have been helping the elderly populations of Western Europe and the USA, which is a commendable service to humanity. Unfortunately, on account of gaps in the health systems of those countries, some of our children have died there in this epidemic.

May their souls rest in eternal peace.

I will make it mandatory for all our health workers to wear all the necessary protective gear all the time, especially the gloves, the masks, the goggles and maybe even the aprons so that we rule out all these repeated surprises like what we suffered from the ebola attack when we lost Dr. Lukwiya and, now, this tragedy where our children have died abroad, helping other human beings.

When this crisis is over, we shall have to engage the Governments of those countries to compensate the families of our children who have died in service to humanity. That is why I do not want to hear of the nauseating position of the neo-colonial agents of lifting taxes on imported gloves, masks, etc. We must make the gloves ourselves, we must make the masks, we must make the medicines.

Economy of survival, economy of living, ahead of the economy of pleasure and leisure; economy of independence rather the economy of dependency.

In order not to confuse the readers, I will not this time dismantle the errors of the pseudo-neo-liberals that wasted alot of our time and abused our partnership. Even the errors of the authentic neo-liberals in the West have been exposed.

Once we have rejected the nonsense of the pseudo-neo-liberals of our system and adopted the strategy of real economy based on the basic human needs and we have listed all the areas of potential opportunity, we now face the problem of prioritization.

What do we start with given the long list? I would propose the following example of prioritizing:

1. Fund the planting of more maize and beans so that we do not run out of these basic relief foods, given the global crisis.
2. Complete the gaps in the cassava industry so that it becomes an alternative source of flour in case maize flour is not enough; besides, we need cassava for starch for medicine, for ethanol, for fuel for stoves and for animal feeds.
3. Complete issues with Dr. Florence Muranga with bananas and its products — banana flour, starch, etc. — so that we kick out wheat flour that consumes US$300million of our foreign exchange.

4. Take advantage of the corona-virus crisis by supporting Nytil, Mulwana, UIRI, Prof. William Bazeyo, etc., to make the surgical masks, N-95, scrub-suits, rubber gloves, test kits and the vaccines by Prof. Nantulya and Uganda Virus Institute.

5. Enable the Quality Chemicals to clear their debts and start making all the drugs we need such as hydroxy-choloroquine and all our other drugs.

6. Help Mayuge Sugar to make Industrial grade sugar for coco-cola and pharmaceutical grade sugar for medicine. This will save us expenditure of US$40.251million per annum.

7. Continue down the whole list of our potential in that way, using UDB money.

The external friends, if they are friends at all, should cancel all the multi-lateral and bilateral loans because this problem has been created for Africa by Asia and Europe. This will save our Ug. Shs. 1.3trillion that we are spending per year to pay loans which we were happily doing until this additional burden.

Any new borrowing, if at all, must not be in order to support more importing by Uganda, clothed as "balance of payments support". "Balance of payments support" must include developing my suppressed potential to be competitive in terms of import-substitution and export-promotion, not to just re-inforce my imports-dependency and my indebtedness.

With the funding of UDB, our entrepreneurs will, then, be encouraged to attack all the areas of Uganda's potential on the basis of the private initiative but using cheaper loans from the UDB, not the criminally extortionate loans from the Commercial Banks.

15th April, 2020 - Cabinet Meeting - Entebbe

ARTICLE

By

H.E. Yoweri Kaguta Museveni

PRESIDENT OF THE REPUBLIC OF UGANDA

ON

THE HISTORY OF ECONOMIC THOUGHT AND THE CONTEXTUALIZATION OF THE FUNNY OF THE PSEUDO NEO-LIBERALS IN UGANDA AND AFRICA

15TH APRIL, 2020

CONTEXUALIZATION OF THE FUNNY POSITION OF THE PSEUDO NEO-LIBERALS IN UGANDA AND AFRICA

Man has been here on Earth for the last 4½ million years, since he evolved as Homo-Sapien Sapien from the lower primates. Initially, they were groups of hunter-gatherers. As we said earlier, like during the National Delegates Conference, man has the distinct advantage over other animals of the ability to make tools and use the tools and the other laws of nature (science) to improve his condition. When Man invented fire 1.5million years ago, his capacity to adapt nature to his needs was enhanced. According to Karl Marx, the hunter-gatherers ─ were equal ─ nobody was exploiting the other. The NRM Economic Desk should do research to know for how long that system went on. We, of course, even today still have some hunter-gatherer groups, like the Batwa or the pygmies in the Congo forest.

According to Karl Marx, this phase of what he called primitive communalism, was replaced by the slave state typified by Rome that is well captured by literature around the time of Jesus ─ 2000 years ago.

The human beings had learnt the technique of extinguishing some people’s freedom to enhance the pleasure and leisure of others. The slaves would work for free for others. These slaves would have been captured by force and either enslaved or sold into slavery. You remember Joseph was sold into slavery by his half-brothers. This was around 1567BC.

The slave state was, over time, replaced with the feudal system where some groups monopolized the ownership of land, especially, forcing the rest of society to live like serfs. The serfs would be allowed to use the land of the landlord and the landlord would take part of the produce as rent. This system could be very oppressive for the serfs. In Uganda, before 1928, where a similar system had been introduced by the British, the serfs (Bibanja owners), could be evicted anytime and they had to surrender a large portion of their cotton crop to the landlord.

Nevertheless, society was evolving. An artisan and a mercantile class had emerged, alongside the feudal class and the serfs (the peasants). With the invention of machines, to replace human muscle-power and beast power, mass production started.

By 1789, when the French Revolution took place, the European society had already evolved into four social classes:

1. The feudalists, depending on rent on land;
2. The bourgeoisie (the middle class), depending on profits ─ the difference between cost price and selling price;
3. The proletariat, the workers, depending on wages; and

4. The peasants, depending on their sweat minus what the landlord was taking from them.

The concepts of economics that are known to us now, cover this period that followed the Renaissance in Europe. The Roman Empire in the West had collapsed in the year 450AD. Europe had entered 1000 years of the Dark Ages where "civilization", but based on slave labour, had been replaced by Barbarism, devoid of learning and innovation. With the Renaissance and the gradual evolution of the post-feudal classes, new concepts of economics started emerging. Right from the start, the study of Economics is the study of scarcity. You can live for 8days without food and still survive.

You can survive without water for 3 days. But you cannot survive without oxygen for more than 3 minutes. You will die.

Yet, for most of history, air has not been a subject of economics. Why? It is because Air is plentiful; it is not scarce. Economics as a study of scarcity, also touches on the question of human behaviour. Since man is the only consciously productive animal, what will motivate him to produce efficiently? Therefore, economics links up with philosophy, understanding the behaviour of man. Remember that in the slave state and feudalism, man was made to produce by force, by kiboko, as our coffee was designated.

As society evolved, in some parts of the World, it became clear that force may not always work. Hence, ideas of how to persuade or motivate people to produce, started coming up. Alongside the ideas of how to make people create wealth, was also the idea of what is wealth itself.

May be we start with the point of understanding wealth. What is wealth? We now understand wealth to mean: agricultural assets; factories; service units (hotels, banks, legal firms, medical units, etc.); ICT units; and intellectual property. However, at one time, there was belief in bullionism. People in Europe believed that if you had alot of gold and silver, you were rich. If a country had alot of gold and silver, it was a rich country.

Spain and Portugal, went to South America, killed all the Red-Indians, stole all the gold and silver but ended up being the most backward countries in Europe. Therefore, the bullionist theory of economics, was wrong. Yes, gold has got both ornamental and intrinsic value. It is used for jewellery and in some industries. However, it is not food, it is not shelter, it is not medicine.

There was another school of thought in France, known as the physiocrats. These believed that wealth was only from agriculture. Of course, this could not be correct because even in the traditional societies of Africa, you had black smiths (Abaheesi), carpenters (Ababaizi), bark-cloth makers (Abakomagyi), water people (Abariimbi), etc. These would do nothing else but these emyooga and be paid either with money (ensiimbi-cowrie shells or in kind — kuchurika — barter trade). Therefore, to say that agriculture was the only form of wealth, even in the pre-capitalist system, was not correct.

That is how a new group of thinkers, led by Adam Smith, came on the scene. Adam Smith wrote his analysis in 1776, entitled: "The Wealth of Nations". In that analysis, he both addressed the issue of what is wealth and how to create it. He emphasized the importance of specialization through the division of labour and exchange. Adam Smith quoted the phenomenon of the baker, the brewer and the butcher. These provided all the breakfast needs of Adam Smith, not because they loved him, but because they loved themselves. This analysis gave birth to 3 points: division of labour and specialization, exchange and the personal vested interest of producers (the brewer, the baker, the butcher), that would ensure efficiency of production as a stimulant for creating wealth. Born in economics, was the invisible hand of the market. This is the origin of the liberal theory of economics that supplanted the other thinking. Adam Smith wrote as follows to illustrate the importance of self-interest in the new capitalist system: "It is not from the benevolence of the butcher, the brewer, or the baker, that we expect our dinner, but from their regard to their own interest. We address ourselves, not to their humanity but to their self-love…"

On the issue of specialization, Adam Smith gave the example of a pin and wrote as follows:

"To take an example, the trade of a pin-maker: One man draws out the wire; another straights it; a third cuts it; a fourth points it; a fifth grinds it at the top for receiving the head; to make the head requires two or three distinct operations; to put it on is a peculiar business; to whiten the pins is another; it is even a trade In by itself to put them into the paper; and the important business of making a pin is, in this manner, divided into about eighteen distinct operations, which, in some manufactories, are all performed

Isimba Dam

Solar Energy

by distinct hands, though in others the same man will sometimes perform two or three of them. I have seen a small manufactory of this kind, where ten men only were employed …. Those ten persons, therefore, could make among them upwards of forty-eight thousand pins in a day. Each person, therefore… might be considered as making four thousand eight hundred pins in a day. But if they had all wrought separately and independently, and without any of them having been educated to this peculiar business, they certainly could not each of them have made twenty, perhaps not one pin in a day…in consequence of a proper division and combination of their different operations". **(Adam Smith, The Wealth of Nations, Chapter PG.)**

These four points: specialization, exchange, self-interest (private initiative) and profit, brought big changes in the economies that pioneered this rationalization effort. Production was guided by the search for maximum profit by those who had the eyes to see the respective opportunities (entrepreneurial eyes). This rationalization (bringing reason in an issue), unleashed so much production power and also innovations: the steam-engine, electricity, the telephone, the automobiles, the Aero-planes, that by 1929, a new crisis was born. The crisis of too much production and too little consumption. Hence, the crush of 1929 and the Great Depression that followed.

The liberal economists, emancipating the initiative of the entrepreneurial capacity of people, the talent of the people, individually and collectively, to create wealth in their own self-interest but, in the process, create wealth and prosperity for society, had correctly studied and distilled this new behaviour by the economic actors. However, they made the mistake of not discerning that increased production could only be sustained, if there was increased consumption. Without consumption, production would collapse.

That is how economists like Maynard Keynes came along and pointed out that even if you were to employ somebody to dig a hole and fill it again, without putting anything there, it will help because it will put money in the hands of the unemployed who will, then, be able to support production through buying. This was a warning to the liberal economists that concentrating on micro-economic efficiency and forgetting the macro-economic level, is a big mistake.

The Western countries have not fully understood this. It is, instead, China, a communist country, that has correctly understood the efficiency of micro-economic initiative and the value of macro-economic co-ordination. Following the 2nd World War and the Depression of the 1930s, some of the Western countries had introduced some macro-economic measures to empower consumption: public works (railways, irrigation systems, the Tennessee River Authority in the USA, etc). This was temporizing the effects of anarchic liberalism — the failure to understand the limitations of the Adam Smith diagnosis. There was like a synthesis between liberalism and some central co-ordination. However, in the 1980s, a new liberalist wave came and castigated central co-ordination and preached anarchic liberalism — where micro-economic actors follow micro-economic, private profitability regardless of the macro-economic distortions that may occur. That is how private companies shifted manufacturing from the West to China and India in search of private profits. This has caused quite serious problems for the West although it is, actually, good for the World to some extent. Global prosperity is good for all World economies. Governments, however, should never lose sight of central co-ordination.

This is where our own pseudo-neo-liberals come in. They talk of private sector-led economy when there is very little private sector and much of the economy is pre-capitalist — traditional kukolera ekidda kyonka, tic pi ickeken (subsistence activities). These persons talk of CBR, controlling inflation etc., when the majority of the people are outside the money economy. Working with and for foreign commercial Banks, the main activity of these actors is to facilitate the imports of foreign goods — mainly consumer goods: curtains, carpets, plates, tables, furniture, paper (including toilet paper); etc. Even when they talk of inputs into production, they talk of industrial sugar, pharmaceutical grade starch, etc. — imported tax-free. Why should Uganda import any kind of sugar when there is so much unsold sugar? Why should we import industrial grade starch for pharmaceuticals when we have unused cassava and unsold maize? Why should we import even medicine? Why not make it ourselves? Why should we import tax-free scholastic materials? Why do we not make them here?

This is why our neo-liberals are a disaster and a pseudo group because they are lifting a flawed formula from its home soil where it failed to a virgin ground where the required formula is a blending between liberalism, central planning and socio-economic transformation, from pre-capitalism to the money economy. They have refused to learn from our examples of how, through mobilization and sensitization, we were able to commercialize milk, maize, bananas, introduce palm oil, etc., or from the clear benefits from our firm stand on prioritizing roads and electricity in 2006.

I cannot end without pointing out the role of Karl Marx who challenged the other theories of wealth creation and pointed out that the creator of value is the worker — this is known as the labour theory of value. This one, while it, of course, had some validity, again, ended up in a mistake by forgetting the role of entrepreneurship as one of the factors of production. That is why it failed in the Soviet Union. The Chinese did well to reform it in time.

Similarly, we must reject the nonsense of the pseudo — neo-liberals in Uganda, lock-stock and barrel so as, to develop our country.

15th April, 2020 - Cabinet Meeting - Entebbe

ARTICLE

By

H.E. Yoweri Kaguta Museveni

PRESIDENT OF THE REPUBLIC OF UGANDA

TO

MEMBERS OF CEC, MEMBERS OF NEC,
MEMBERS OF THE NRM NATIONAL CONFERENCE,
ALL THE NRM MEMBERS AND ALL UGANDANS

9TH AUGUST, 2020

MEMBERS OF CEC, MEMBERS OF NEC, MEMBERS OF THE NRM NATIONAL CONFERENCE, ALL THE NRM MEMBERS AND ALL UGANDANS

Greetings from the CEC Members that I have been meeting quite often, the Cabinet, the NRM Caucus in Parliament and the NRM Secretariat. Sorry about the corona pandemic and congratulations on, heroically, fighting this enemy in spite of all the hardships it has caused us. Since March, 18th 2020, I, myself, am like a prisoner in Nakasero and Entebbe. I have managed to sneak out a few times to Karamoja for the Marbles factory, to Jinja for the rising waters of the Lakes and Rivers, Nakasongola for the fire-fighting vehicle manufactured by the Luwero Industries, the factories in Namanve, to Kasese for the landslides and, recently, to Kasubi and Lubigi for the new market and the new anti-flooding channel respectively. Only half of the Ministers meet every Monday in order to keep the numbers small and spread out in your big Entebbe State House Hall that normally seats 600 people. The Members of Parliament had to move out of the building to a big tent outside and have small numbers at a time.

We have to wear masks all the time and they are quite uncomfortable. However, health is wealth, the English say. *Amagara gakira amagana* (life is more important than wealth), the Banyankore say. *Asiika obulamu, tassa mukono*; here, the Luganda proverb uses the imagery of food (*okusiika*). It says that when you are frying life, you never relax the arm, different from food frying where you can relax your arm. You see how rich the African languages are. You can say something so powerful and useful in just a few words. I am, therefore, very proud that for four months of this battle, we never lost any Ugandan or non-Ugandan resident in Uganda until the 21st of July, 2020, when we had the first death from corona in the person of Chamadala Eunice of Namisindwa, aged 34 years and very healthy (without any other diseases – known as co-morbidities). Up to today, the 9th of August, we have lost another 6. These are:

1. A Ugandan-Rwandese female, a resident of Mengo, Kisenyi III, aged 80 years old, who died on the 25th of July, 2020, at Mengo Hospital. She was first admitted in a private facility and later transferred to Mengo with fever, cough, chest pain and difficulty in breathing.

2. A Nigerian Male, resident of Kisenyi, Kampala, aged 67 years old; who was a store manager in Kisenyi and died in Kiruddu hospital on the 29th of July, 2020. He was admitted with Fever, cough and difficulty in breathing in a private clinic before going to Kiruddu.

3. A Ugandan female, a resident of Kiyimbi, Nakulabye, aged 61 years old, who was referred from Mengo Hospital to Mulago with symptoms consistent with COVID-19 and died a day later on 31/7/2020

4. An Indian female, a resident of Kibuli, aged 46 years old who was admitted in Kibuli hospital and referred to Mulago but died on the way. She was diabetic but off medication. She also had a history of Asthma for 10 years.

5. A diabetic Ugandan male, resident of Nateete

   Kampala, aged 70 years old who was admitted at Rubaga Hospital on 24/7/2020; and referred to Mulago hospital on the 28/7/2020 and died in the Intensive Care Unit on the 6/8/2020. He presented with mild fever, cough and difficulty in breathing.

6. A Ugandan female, a resident of Wakiso, aged 47 years old, who had a number of ailments, including a history of TB and Asthma and died on the 9th of August, 2020.

It is, therefore, incorrect for some people to say that young people cannot be killed by the corona-virus. Out of the 7 dead people in Uganda, so far, 3 were in their 40s and 30s.

However, what seems to be material, could be that all of them delayed in going to the designated Government treatment centers and went to private clinics or other Government Health Centres. Yet, the guidelines from the Ministry of Health, were that when you feel as if you have a cold, call the nearest health centre on phone, who will, then, inform the corona-monitoring centre nearby, known as hub. They will come, take samples from you, send them to the nearest laboratory and, within 24-48 hours, they will know whether you have corona or not. If you have, they will pick you and take you to the corona treatment centre that is nearest. If you do not have, you will now go to the nearest treatment centre for the normal diseases ─ HCIII, HCIV, etc.

While corona is a vicious disease that has killed 730,371 worldwide and 7 people in Uganda, I am convinced that soon we shall overcome it and go back to our rapid development trajectory. Why am I so convinced? It is because so many people have survived the disease and even turned negative. The 730,371 people that have died worldwide are out of the total number of 19,831,918million people that have been infected and recorded. Hence, 12,739,407 people have overcome the disease and others are still being treated. Although, I hear, that they may remain with life-long complications in some cases. That means that we may get an anti-covid-19 vaccine. Many groups in the World, are working on this and, even, here our scientists are working on it. Our scientists are also working on anti-viral drugs and, from what they are telling me, there are some promising prospects.

In the meantime, remember how to survive for now and tell everybody else to do the same. Wear a mask every time you are outside your house and in public; avoid people with flu-like symptoms; wash your hands regularly with water and soap or use sanitizers; sanitize surfaces in offices in the form of tables and door-handles; never touch the soft parts of your body with unwashed hands in the form of mouth, nose and eyes; and all work places and transport means, should follow their respective SOPs to the letter.

We shall, then, be safe until we get a vaccine or a cure. In the meantime, I thank our doctors at Entebbe – Grade B Hospital, Mulago and all the Regional Referral Hospitals across the country (Gulu, Arua, Lira, Masaka, Mbale, Jinja, Mbarara, Adjumani, Kabale, Mubende, Fort Portal, Soroti, Naguru, Hoima, Moroto) and Bombo Military Hospital, that have used the available body support systems to enable the bodies of the infected people to defeat the disease. That is how 1,115 people have recovered from the disease.

Coming back to our real work, I want to remind the NEC members and the members of the National Conference of what I told CEC at Igongo on the 23rd of December, 2018 and Chobe Lodge on 19th February, 2019. I reminded CEC of the nature of the Ugandan economy in 1900, 1962, 1971 and 1986. In 1900, the Ugandan tribes were still in the pre-capitalist mode of production comprised of crops for home consumption and barter trade (*kuchurika*); livestock (cattle, goats, sheep, chicken) for the same; fisheries for the same; and artisanship and professional skills (*emyooga*) in the form of blacksmiths (*Abaheesi*), carpenters or wood-workers (*Ababaizi*), clay workers (*Abanogoozi*), bow and arrow makers (*Abatanagyi*), bark-cloth makers (*Abakomagyi*), bone-setters (*Ababuungyi*), medical people (*Abafumu, abashaakiizi*), fore-tellers (*Abaraguzi*), water transporters (*Abariimbi*) and, even, some form of funeral services, at least for the kings, known as *Abahitsi*. There was some limited use of cowrie-shells (*ensiimbi*) as currency and trade with the East African Coast for guns, textiles (*emyeenda*) and *enkwaanzi* (glass beads).

With the conquest of Africa, this system was violently overthrown by colonialism and Africans were now commanded to subordinate their economic activities to the needs of colonialism. How? Produce what the colonialists wanted and buy what they produced. Hence, by 1962, the economy of Uganda was being described as an economy of the 3Cs and 3Ts which were: Coffee, Copper (Kilembe) and Cotton and 3Ts (Tobacco, Tea and Tourism). It was only these 6 that were being described as cash-crops or cash activities. All the other activities were being described as subsistence farming or subsistence activities (*Okukolera Ekidda kyoonka; tic me cam keken; erikolera erirya riisa; okukolera olubuto lwokka; okukorera enda yoonka; mi amvu 'nya aleni; aisoamakin akoik).*

As you can see, all these activities were not integrated with the Ugandan economy. The cotton Uganda was producing was for the British textile industry in Manchester and the blister copper at Kilembe could not be used by Mehta for cables because it was not fully processed (only 94% pure instead of the 99% pure that is known as cathode copper that can straight away be used by the transformer manufacturers, the makers of cables, etc., etc).

A progressive Governor, however, by the names of Andrew Cohen, had, since 1952, started the production of cement, some small quantities of fertilizer and the Nyanza textiles for converting our cotton into clothes for the first time in the 50 years of colonial control. By 1962, the production capacity for cement was estimated to be 100,000tonnes per year, fertilizers was 24.6 tonnes per year and textile was 8million linear metres per year. Governor Cohen, therefore, after 50 years of exploitation by colonialism without regard to our serious interests, had started some efforts of building an integrated Ugandan economy, using our natural resources: cotton, phosphates, limestone for cement, etc.

However, he was quickly removed in 1956, I suspect, partly, on account of his disagreements with Mengo because he had deported HH Mutesa in 1953 for opposing the formation of the East African Federation proposal.

Hence, by 1962, you had what the University Scholars in the 1960s and 1970s were calling "enclave" economies — islands of pseudo-modernity — shops, nightclubs, vehicles, etc., not linked with the rest of the economy in a healthy sustainable way and surrounded by a sea of backwardness. The sea of backwardness was comprised of a population of 6½ million people, where only 20% were literate, there were only 548,634 pupils in the primary schools, 21,891 in the Junior Secondary Schools (equivalent of P7-P9 — Junior Secondary 1 to JS- 3), only 6,500 in the Senior Secondary Schools and 1,094 students at Makerere University in 1970-71, after becoming independent.

Between 1962 and 1971, this small island of pseudo-modernity was quantitatively expanded, abit more cotton, tea, etc. There were also attempts at qualitative deepening of what Governor Cohen had started by, for instance, starting another factory to add value to cotton in the form of a joint venture between the Uganda Government and the Japanese Kashiwada in the form of UGIL that was beginning to produce the famous Yamato shirts. The production of cotton in 1962, had been 150,000 bales. By 1969, the production was 480,000 bales.

However, at this point, the wrong politics of Uganda came in, in the form of Idi Amin, an illiterate colonial sergeant, now General, staging a coup-d'état against the UPC that had made their own mistakes of playing opportunistic politics with the Mengo group that was, itself, making their own mistakes of forever promoting sectarian interests and anti-democracy (not allowing the people of Buganda to vote for Members of Parliament, etc). Idi Amin, uprooted the very active Indian business community who fled to UK and Canada and enriched those countries with their entrepreneurial-ship. The Indian properties were handed free to Ugandans that knew nothing about business, full of free stock and the Indians went empty-handed. The ones who went empty-handed are now billionaires and millionaires and the ones who got their business free, are nowhere to be heard of as business people. Anyway, the sum total of all this and the extra-judicial killings by Idi Amin

(Ben Kiwanuka, Balunywa, Walugembe, Bataringaya, Kalimuzo, Bataringaya's wife, Bananuka, etc., etc), was total collapse. This meant that the African Middle class that were not killed, fled the country. With a host of other mistakes, the economy's pseudo-modern enclave (island), collapsed. By 1986 when the NRM came to power, the small pseudo-modern enclave of the 3Cs and the 3Ts as well as Governor Cohen's attempts at value addition, had almost disappeared completely. Of the 3Cs, only coffee was still limping on with the production of 3million bags per year. Cotton had collapsed and so had copper at Kilembe. Of the 3Ts, only tobacco was limping on at 400 metric tonnes per year. Tea had declined from 23million kgs per year in 1970 to 3million kgs per year. Tourism had frozen to zero on account of insecurity of person and property. Governor Cohen's infant efforts of value addition in the form of cement, fertilizers, fabrics, etc., had all collapsed.

There were acute shortages of soap, paraffin, beers, sodas, sugar, etc., etc. The common words in the vocabulary of Ugandans that time were: *magendo* (smuggling); *kusamula* (speculation); and *kibanda* (forex black-market). Goods were coming in by smuggling. The whole economy had been completely informalized (as opposed to formal – importing goods through the border points, etc).

The NRM put forward the 10 Points Programme to address this tragedy which were:

POINT N0. 1

Restoration of Democracy;

POINT N0. 2

Restoration of Security;

The NRM pledged to restore security of person and property to all Ugandans;

POINT N0. 3

Consolidation of National Unity and Elimination of all forms of Sectarianism – Patriotism – Loving Uganda;

POINT N0.4

Defending and consolidating national independence;

POINT N0. 5

Building an independent, integrated and self-sustaining national economy;

POINT N0.6

Restoration and improvement of social services and rehabilitation of war–ravaged areas;

POINT N0. 7

Elimination of corruption and the misuse of power;

POINT N0. 8

Redressing errors that had resulted in the dislocation of some sections of the population;

POINT N0. 9

Co-operation with other African countries — Pan Africanism — Loving East Africa, Loving Africa;

POINT N0. 10

Following an Economic Strategy of a mixed Economy — Private Sector – led growth with some parastatals where necessary.

Hence, in the 10 points programme, we emphasized the security of life and property. Both had to be secure. In so doing, we were answering a point of philosophy. What motivates the human beings to work hard — altruism or self-interest? What both the Bible found out and the more recent philosophy, was that while there are people that will work for altruism, the majority of people, at least for wealth creation, will work for self-interest. The story of the hired shepherd in the Book of John Chapter 10 Verse 11-13: It says: *"I am the good shepherd. The good shepherd lays down His life for the sheep. The hired hand is not the shepherd and the sheep are not his own. When he sees the wolf coming, he abandons the sheep and runs away. Then the wolf pounces on them and scatters the flock. The man runs away because he is a hired servant and is unconcerned for the sheep".* Jesus talks of the hired hands. The hired hand would run away and leave the sheep to be eaten by the wolves. The owner of the sheep would, to the contrary, defend the sheep even at the expense of his own life.

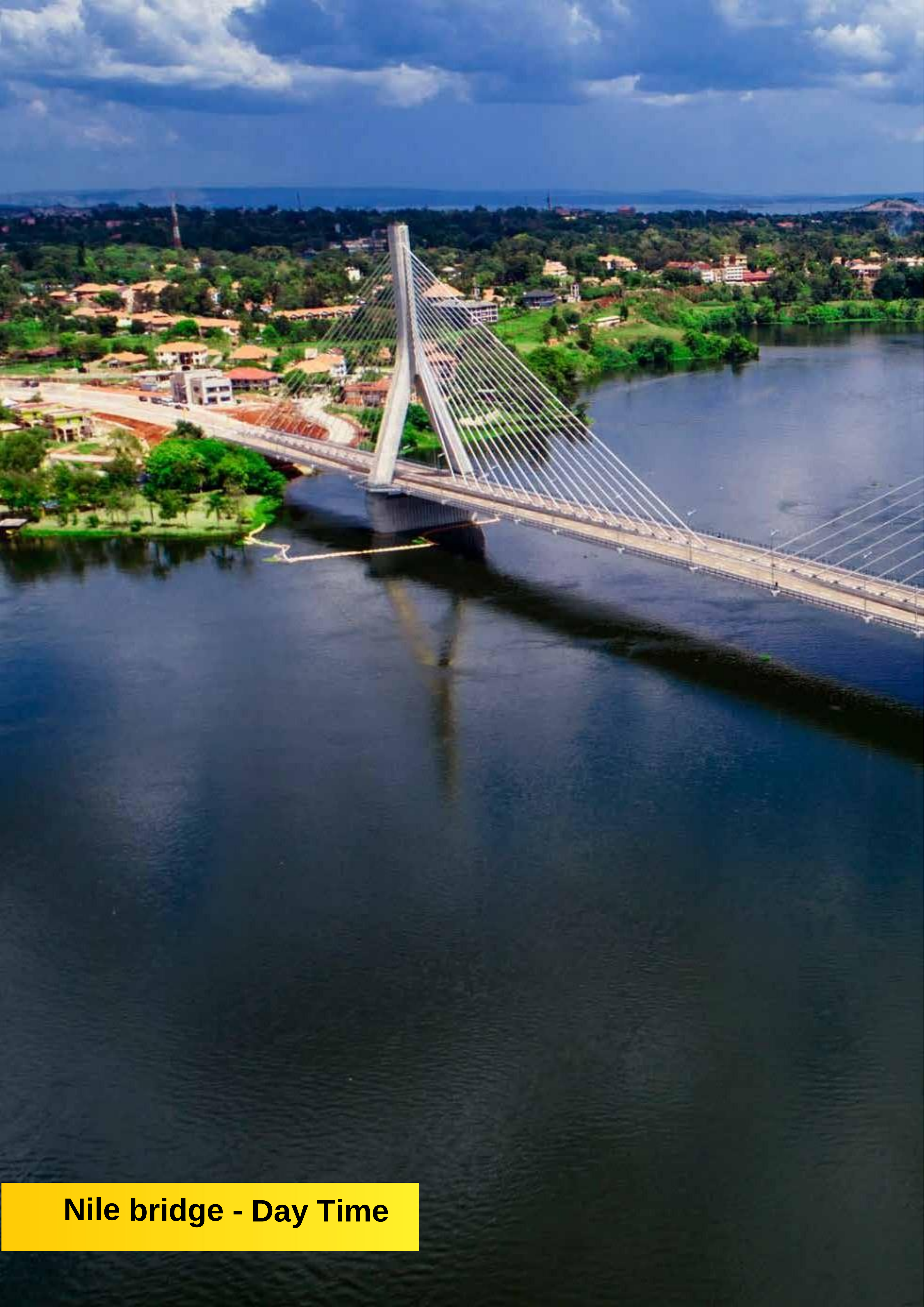
This helped the NRM to answer the question of "who" is to be emphasized in wealth creation. The answer was: "the private sector". Apart from encouraging the African business people such as Mulwana, we returned the property of the Asians and attracted new investors from, especially, China. In addition to these, we started harvesting from our scientists. This will, however, come later. Apart from the security of ownership of property, the NRM also ensured the physical security of people — no extra-judicial killings.

While the NRM philosophically and ideologically answered the question as to who is to be relied on to create wealth, where we said that it had to be the private sector to take the lead, there was also the question of what was needed to be done. We answered this by identifying the strategic bottle necks — 10 of them — that had to be overcome in order to enable the private sector to grow the economy. Here below are the 10 strategic bottlenecks:

1. Banishing the ideological disorientation by rejecting sectarianism of religion and tribe that stops people knowing that Uganda will support their prosperity better than the tribal units or religious segments — this was the point no. 3 of the NRM 10 points programme — anti-sectarianism;
2. Making sure that we build a capable State with a strong Army, Police, etc. that are able to guard peace;
3. Developing the under-developed human resource through education for all and improved health;
4. Developing the infrastructure in the form of electricity, the roads, the railway, so as to lower the costs of doing business in our economy;
5. Ending the export of unprocessed raw materials such as coffee and cotton where we only get 10% of the value of our resources and the rest goes to others, by industrialization — value addition;
6. A modern economy cannot sustainably develop, if enough buyers do not buy what that economy is producing; we, therefore, identified the fragmented African markets by colonialism as a bottleneck that could not allow the African economies to grow and pointed out the need for economic integration in Africa and, where possible, also political integration;
7. Our huge potential in services — e.g. tourism, financial services, performing artists, etc., was still undeveloped and should be developed;
8. Our huge potential in agriculture was undeveloped with 68% of our homesteads still being *abakolera ekidda kyoonka, tic me cam keken, mi amvu 'nya aleni, aisoamakin akoik* (working only for the stomach) and the few raw-materials commercially produced, not being processed into finished goods;
9. Interfering with the Private Sector like Idi Amin had done in 1971 by uprooting the private sector through the expulsion of the Asians and yet the private sector is the most reliable agent of growth; and,
10. Finally, the denial of democracy as in no. 1 of the NRM 10 points programme.

All these are amplifications and implementing tools of our four ideological principles. These are:

(i) Patriotism — loving Uganda because we need it for our prosperity



Nile bridge - Day Time

Nile bridge - Night Time

in the form of a bigger market than our tribal units or religious groups and the complementarities she offers the wealth creators within her borders;

(ii) Pan-Africanism ─ loving Africa because that bigger market can support our prosperity better than the individual countries such as Uganda, not to mention our tribal units or religious groups;

(iii) Social-economic transformation so that we end the life of the peasantry of our society and become a middle-class, skilled working class society ─ a modern society based on a fully monetized economy by eliminating the phenomenon of the *bakolera kidda kyoonka, tic me cam keken, erikolera erirya riisa, okukolera olubuto lwokka, okukorera enda yoonka, mi amvu 'nya aleni, aisoamakin akoik* ─ working only for the stomach or subsistence farming in particular; all this, in addition to mass education to create a modern man;

(iv) Finally, always using the system of democracy as a cleanser of the system, to hold leaders accountable.

With these stimuli being applied to the economy and society, eversince 1986, the economy has grown at the rate of 6.3% per annum for the last 34 years. The GDP, using the exchange rate method was US$1.55billion in 1986; it is now US$.37.3 billion. However, using the PPP method, the GPD is now US$106billion. The GDP per capita is now US$908 compared to US$264 in 1986. The GDP per capita using the PPP method is US$2580 today.

Uganda is now poised to take off. Unlike in 1986, when we had a problem of shortages, one of our problems is now the unsold surpluses of sugar and sugar-cane; milk and milk products; surplus bananas; surplus maize; soon surplus cassava and cassava products; surplus industrial products ─ cement, steel products, blankets, tyres for piki pikis, ceramic tiles, etc., etc. This is a good problem and there are 4 solutions to it. One, is to lower the costs of our production. A tonne of sugar in Brazil is produced at US$280, in Swaziland at US$500 and in Uganda at US$630. This is why Tanzania and other countries cannot buy our sugar. It is more expensive. Does Brazil or Swaziland subsidize their sugar?

If that was the case, we would be with a stronger argument. Therefore, our producers, apart from ensuring good quality, we must ensure low costs of production to be competitive. The assignment of the Government in this matter, is to ensure the low cost of electricity; low cost of transport; and low cost of borrowed money through UDB for agriculture and industry, especially. With electricity, we already have enough electricity generated. The only problem is that the electricity is still at US$8.3cents per unit because of the expensive money borrowed by the developers of Bujagaali and the inefficiencies of Umeme and their desire for high profits of 20% on investment. This we shall solve by realizing the following factors:

First of all, the electricity of Nalubaale and Kiira costs 2 American cents, the one of Karuma will cost 4.97, the one of Isimba costs 4.16 cents per unit. The distortion is caused by the power of Bujagaali that costs UScents13.38 per unit!!

Secondly, this is on account of the high cost of money the developers used to build that dam agreed to by some of our officials without consulting me. Thirdly, the other distortion in the electricity cost is by Umeme that contributes 21.9% to the high cost of electricity. Bujagaali contributes 45% to the high price (tariff) of electricity.

Electricity is part of the base of the economy. It is not an area for the profit seekers that want high profits ─ 20%, etc. This was the mistake that we have been trying to solve and it will be solved, in a good spirit, with the stakeholders. No friend of Uganda should suggest that Uganda's rapid development should be sabotaged for some groups to make 20% profits. If you want to make high profits, you go to night-clubs, casinos, etc., not to electricity, the bone-marrow (*omushokooro*) of the economy. When all the electricity produced is used (consumed), the price will also be cheaper by 2cts. As of now, out of the 1,252megawatts generated, only 650-700megawatts are being used (consumed as they call it). When all the megawatts will be bought, the price of electricity will be cheaper by 2 American cents. Therefore, Uganda will end up with cheap electricity for our rapid development. The problems with the price of electricity, to summarize, are: the expensive electricity of Bujagaali; the bad agreement with Umeme; and not selling all the electricity produced. They are all solvable.

With transport, we are already rehabilitating the old railway line to Gulu-Pakwach from Tororo as we plan to build the new Standard Gauge Railway. In the meantime, the Private Sector, with our encouragement, has already invested in the water transport across Lake Victoria, to Kisumu and Mwanza. Meanwhile, both Kenya and Tanzania have been building the Standard Gauge Railway in their respective countries. In order to lower the costs of transport, the answer is, therefore, rail and water transport for cargo. A tonne of goods to Mombasa from Kampala by road is US$137.5. On the rail, all the way to Mombasa would be US$43.75 per tonne and on water and rail, it will be US$35.23, four times cheaper than the road.

With the cost of money, we have already put Ug. Shs. 1 trillion in UDB (2020) so that that bank is able to give loans for agriculture and industry at not more than 12% interest rate. This money will be used to lend to actors that are engaged in commercial agriculture, industries for import-substitution and industries for export promotion. On account of past successes, we now have 7 million bags of coffee, 5 million tonnes of maize, 10 million tonnes of bananas, 2.6billion litres of milk, alot of cassava, alot of fruits, alot of animal skins and hides, alot of planted forest, alot of sugar-cane, etc., etc.

Once the question of the cost of our products is addressed, then we also address the issue of broadening our value addition efforts in the areas of primary industrial products by, for instance, not only producing maize flour (*kaunga*) but also producing all the animal feeds we need and also deepening the industrialization effort in that area by going for the secondary industrial products such as starch, gas, etc., from maize as we shall see later. Out of the milk, apart from pasteurized milk, UHT, butter, ghee, yogurt and powdered milk, we are already cracking milk into the sub-contents of protein casein. These two, lower costs of our products and the broader spectrum of our primary and deepening to secondary industrial products, will make it easier to market our products globally and regionally.

In addition, we should continue to negotiate patiently with our EAC, COMESA and CFTA brothers for market access.

Fourthly, one of our ultimate solutions on the issue of market is the solution of the East African Federation. When East Africa becomes a Federation, then the barrier of borders to trade will be superseded.

This is now the time for all the categories of the national bourgeoisie, the middle class that are beneficial to the country, to move and process all these raw-materials into finished or inter-mediate goods for import substitution and export promotion. The different categories of the national middle-class are: our Asians who repossessed their properties, the African middle-class like the Mulwanas and the new investors from outside (FDI), especially those from China, India, EU, the USA and the Middle East. These will be helped by the low costs of electricity, transport and the low cost of money. Labour in Uganda is still low. In addition to these, there is a large number of our youth from families that are not yet economically, or knowledge-wise, empowered, that are being organized in emyooga (specialized activities such as black- smithing, carpentry, etc.) and also in manufacturing associations to use the Government provided revolving funds (the Innovation Fund, the State House Innovation Fund, etc.), to join the manufacturing sector, especially. The emyooga groups are being organized at the level of each constituency but with branches at the parishes. The State House Innovation Fund operates at the zonal level (e.g. Teso, Lango, Bukedi, etc). Here, I refer all of you to the booklet I gave you when I made the zonal tours last year starting with the 4th of May, until the 4th of August, 2019. That Booklet is entitled: "The Four Sectors and the Seven Activities".

The four sectors, again, to remind you are: commercial agriculture; industries (big and small); services (transport, hotels, salons, micro-finance, professional services such as midwifery or lawyers performing artists, etc.); and ICT (such as Business Processes Out-sourcing — BPO — where, based here in Kampala our young people can do book-keeping for companies in the USA or Canada and be paid after sending what they have done over the internet). Again, like I did during the zonal meetings, I urge everybody, especially the youth, to join one or more of these sectors for livelihood. The fifth sector that is, in any case, part of the services sector, that I never emphasize, is the Public Service ─ the Government jobs. These are limited in number. The total number of Government jobs, including those in the Para-statals, are 470,000; compare these with the number of 700,000 people in factories, 1,300,000 in services, the fact that the potential of those sectors is not even half exhausted, notwithstanding. The total of the 4,920 factories operating in Uganda today, are employing a total of 700,000 people, just for emphasis. What if this figure reached 10,000? With the abundance of our electricity, all these factories will not be short of power.

In the booklet that I gave you, apart from the 4 sectors mentioned above, I recommended the 7 activities for somebody of four acres or less. These were:

(1) Coffee;

(2) Fruits (oranges, mangoes, pineapples, grapes,

apples, straw-berries);

(3) Food-crops;

(4) Pasture for dairy and dairy cattle;

(5) Poultry farming for eggs in the backyard;

(6) Piggery in the backyard; and

(7) Fish-farming in the periphery of the wetlands

(*emiiga*), but not in the centre of the wetlands.

That leaves a few issues to emphasize or re-emphasize. These are, one, again the issue of *abakolera ekidda kyoonka*, *tic me cam keken, erikolera erirya riisa, okukolera olubuto lwokka, okukorera enda yoonka, mi amvu 'nya aleni, aisoamakin akoik,* that they translate into English as "subsistence farming" or other activities (e.g. fishing, hunting, etc). This is one of the main sources of poverty in the country. According to the census of 2014, we still had 68% of the households in subsistence farming. Moreover, some of the homesteads that were classified as being in commercial activities, were doing so without *ekibaro, cura, otita, aimar* (without proper economics ─ engaging in low- value activities on a small scale). I have been de-campaigning this eversince 1995 when I made the countrywide tour on the theme of *Bonna-bagagawale* (Prosperity for All).

Where people have responded, their lives have changed for the better. Areas like Masaka, Kalangala (around coffee and the palm oil); Bundibugyo with Palm oil, coffee and cocoa; Kanungu with tea; the cattle corridor with the dairy products; Kabarole with tea and bananas; Ankole with bananas; Nwoya with large-scale commercial farming; Busoga for sugar-cane growers; etc. In some of the districts like Mityana the percentage of *bakolera kidda kyoonka*

H.E President Museveni Launching Simi Phones Factory


SIMIX
S300

Tarmac roads linked to 6 directions of the compass

(working only for the stomach), has reduced to 50% of the households, I was told. The other districts that have moved are: Kiruhuura, Ntoroko - 58.5%, Mukono - 60%, Jinja - 42%, Kalangala - 26%, etc. The campaign against these two problems of *okukolera ekidda kyoonka* and trying to be commercial without *ekibaro,* will continue to be my focus. The answer is commercial agriculture and other economic activities with *otita, cura, aimar (ekibaro).*

The other remaining issues are the problem of land fragmentation on inheritance and illegal evictions from land affecting occupants of bibanja on Mailo land and Public land. On the issue of land-fragmentation, we shall continue to use sensitization. In the USA, they used legislation to stop land fragmentation. Should we do the same here? As of now, I think the easier way is the one of sensitization. I welcome your views on this. However, on the illegal land evictions, we shall use administrative (e.g. cancellation of illegally acquired land titles), legislation to resolve the issue between the mailo owners and the bibanja owners as well as using the economic therapy of using the expanded Land Fund to compensate the mailo owners and liberate the bibanja owners. It is illegal for the corrupt Land Boards to allocate public land to individuals or companies without checking whether there are occupants on it. The titles acquired on such land, are not only illegal, but the whole transaction is a nullity. We shall cancel them.

The other emerging issue, is the phenomenon of big volumes of production that cannot be absorbed by the internal market already referred above. By 1959, when I started being conscious of the unsatisfactory situation of almost the entire population of the Ntungamo sub-county and Kajara county that I knew well, after my visit to the Mbarara Government Stock Farm (Kitaka Farm according to the Banyankore), I noticed that the main problem was *kulambaala, nino, kulala* (sleeping). The population in that part of Uganda (apart from a few families in the sub-counties of Bwongyera and Ndeija that were said to be growing coffee), was asleep, the fact that the land was so fertile and rich, with good pasture (bracharia-ejubwe, obuterante-paniccum, omukaamba-desmodium, emburara-hyperanhia ruffa, etc.), alot of water (a stream in every valley), very nice temperatures (on the 9th of August, 2020, the temperatures in London and Paris were 33 and 37respectively, while in Kampala, they were 26), plenty of cattle, sheep , etc. and the ancient culture of pastoralism and crop growing, notwithstanding. Yet, the example of how to use agriculture and live a modern life with education for everybody, good houses, good money, etc., was there in Mbarara Government Stock Farm. Yet, my father, Amosi Kaguta, who was 43 years old that time, had never visited that farm; nor had any of the neighbours that I knew. Since that time, I realized that the main problem was *kulambaala, nino* (sleeping). Between 1959 and 1966, I would interact with the villagers whenever I went for holidays — but I was doing more and more observation. It was in December, 1966, at the end of my A-levels, that I launched a sustained campaign, along with our comrade Mwesigwa Black, against this *kulambaala.* Walking on foot, mainly, we visited kraal after kraal, de- campaigning this *kulambaala, nino* (sleeping).

This is what I have been doing eversince I came into Government, in 1986. As a consequence, there is now some waking up (*kusimuka, akwenyun*). Operation Wealth Creation, has played a role in implementing our campaign against *kulambaala.* This limited waking up, has already generated huge volumes of production.

The problem now is marketing. These big volumes of coffee (7million bags), maize (5 million tonnes), milk (2.6billion litres), bananas (10million tonnes), cassava (4.1metric tonnes), sugar-cane (6million metric tonnes) yielding 500,000 tonnes for now and soon to expand to 685,000tonnes with Atiak, Amuru being commissioned, etc., etc., are a good basis for further growth. With these bigger volumes, the internal demand and even the regional demand are not enough. Coffee, fortunately, is bought internationally.

There are 7 factors, to this issue of demand that translates into market. Number one, is that Ugandans are under-consuming. When we say there is surplus milk with only a production of 2.6billion litres, this is not true, ultimately. It is only true to the extent that the Ugandans are under-consuming the vital food of milk, vital for calcium and phosphorus for (bones, teeth), vitamin A for vision, vitamin B12 for nerves and the immune system, etc. The per capita consumption is only 62 litres per annum. Yet, the WHO recommends 210 litres per capita. With a population of 45million people now, the consumption would be 9.5billion litres. Hence, Uganda would have to produce about 12bilion litres of milk to feed her population and remain with some for export. If each cow was producing 20 litres per day, you would need 1.3million milking cattle at any one time. Since 1/3 of the cattle should be milking at any one time, it means a national herd of 3.9million dairy cattle, would be enough to produce the 12bn litres. Since we need, with intensive farming, one acre to feed 8 dairy cattle in a year, the 3.9 million dairy cattle, would need 490,000 acres out of our 40million acres of our arable land.

What is true of milk is also true of beef, textiles, etc., etc. Although the per capita consumption of sugar is 9kgs that coincides with the WHO recommendation, the distribution may not be equitable. It could be that the rich are taking too much sugar, while the poor ones are taking less. You, therefore, have the phenomenon of over consumption of sugar by the rich, leading to obesity and under-consumption of sugar by the poor. The same with the healthy use of textiles which should be 6-7metres of cloth per person per annum. This would mean that the population of Uganda would need 280million metres of textiles per annum. The current consumption is 2-3metres per person. This under-consumption is partly due to low incomes but also due to lack of information. Why spend on alcohol, cigarettes and night clubs, but not spend on sugar, eggs, meat or milk? Incomes, with some *akwenyun* (waking up) and joining one or more of the 4 sectors: commercial agriculture, industries, services and ICT, will address this. The people of Rwengaaju in Kabarole went from *okukolera ekidda kyoonka* in 2006, to now a parish of 3,146 homesteads, all earning incomes. The Chairman of those Rwengaaju farmers, Mr. Nyakana, was previously earning no income. He was engaged in *okukolera ekidda kyoonka*. However, now Mr. Nyakana, from the chicken, he earns Shs. 24million a year and employs 6 (six) people. Of course, he pays them and remains with a profit. In this single homestead, by listening to our message of abandoning *okukolera ekidda kyoonka* and start working for money with *cura (ekibaro*), has converted 7 family heads, Nyakaana plus another 6, into employed people and with increased Purchasing Power. OWC should research into how many kgs of sugar they are buying. How about milk? How about textiles? Therefore, by de- campaigning *okukolera ekidda kyoonka*, you are increasing the purchasing power of Ugandans and you are solving the as yet artificial problem of too much glut when, in fact, the potential need is greater.

Another way of dealing with the "over-supply" of these products, is to go beyond the primary industrial products to the secondary ones. We say that we have too much sugar for chai. However, we in 2019, imported 83,564 tonnes of industrial sugar for use in coca cola, valued at US$37.1millions. In order to get 70 tonnes of industrial sugar, you need to refine 100 tonnes of brown sugar.

When the artificial glut of milk was detected, we had, fortunately, attracted a processor that was interested in the secondary industrial products of milk. These included a protein known as casein which is used in food supplements, medicines for making capsules that are digestable by the human alimentary canal, industrial applications (mostly as a bonding agent). This factory at Rwebiteete on Lyantonde-Mbarara road, is now on average using 350,000 litres of milk per day to get their casein. They went beyond the primary industrial products of liquid pasteurized milk, UHT milk, skimmed milk, yogurt, butter, ghee, etc., to now cracking the milk and getting the sub-contents of it. You widen the market of milk and you create more jobs for the people.

You go to maize or cassava, apart from the cooked or fried products of that food, you also get maize flour, animal feeds, etc. These are, however, still the primary industrial products. We are aiming at also getting tertiary products like starch that is needed for pharmaceutical industry, industrial alcohol, gas for cooking, etc.

The 3rd factor of widening the market for our products is to, working with other like-minded East Africans, work for the political unification of this Region to create the East African Federation. The surplus sugar of Uganda is today 120,000 tonnes. The other East African countries have a deficit of 610,000 metric tonnes. However, on account of remaining separate entities, even when we have the treaty for East African Cooperation which was a step forward, you always have endless stoppages on account of the different perceptions of the respective authorities in charge of these partner States. The late Mwalimu Nyerere was our leader in this vision and we were his enthusiastic and loyal followers. He noticed this. That is why he also supported us in our struggles.

The limited awakening of our people in terms of generating these surpluses, illuminates the correctness of this vision. Where will you sell all the products of a population that has awakened towards modernization? The answers are seven. No.1, enhance the purchasing power of the Ugandans by making sure that everybody engages in wealth creation for money if he or she wants. No.2, deepening the industrialization to tertiary products but also exhaust the primary ones like animal feeds, leather tanning, etc. No.3, patiently, negotiate for the implementation of the existing economic treaties of the East African Community, of COMESA and of the Free Continental Trade Area for Africa.

No. 4, where possible, work for the political integration of those African States whose populations and leaders like the idea. No. 5, use the stronger weight of the East African Federation, when it is realized, as well as that of the FCTA to negotiate for bigger markets overseas, with the USA, EU, China, Russia, India, etc.

It is not good that 63 years after Ghana's Independence, in 1957, most of the post-independence African leaders have created a Latin America in Africa instead of creating a United States of Africa in Africa, which was the vision of Osagyefo Nkrumah (for the whole of Africa) and for Mwalimu Nyerere (for the East African Federation). When the 13 British colonies in North America rebelled against Britain in 1776, they formed the United States of America which became the most powerful country in the history of Man. The Spanish colonies in South America, to the contrary, balkanized themselves and became the zone of perpetual misery eversince. The latest about this sad story were the tens of thousands of South Americans, walking on foot, trying to enter the United States to escape the misery and insecurity of Latin America, all those immense natural resources notwithstanding. Salutations must go to Mwalimu Nyerere and Sheikh Amani Karume that united to form the United Republic of Tanzania, the only example of successful political integration after Independence. I salute the East African leaders for being committed to the East African Confederation. The Africans, including Ugandans, that care about the prosperity and security of Africa, should study this point very carefully. That is why I am putting it in our manifesto. Have the post-Independence African leaders, except for Mwalimu and Karume, created a Latin America in Africa instead of a United States of Africa in Africa? The answer is a clear: Yes. Witness what is happening in Mali, Somalia, Northern Nigeria, the Sahel, Eastern Congo, the attack on Libya by foreign forces against the resolutions of the African Union and the subsequent chaos in the Sahel, etc. The African race has no centre of gravity that can guarantee the future of the African race. East Africa can create one of these centres of gravity – given its uniqueness.

No. 6, produce products that are equal or lower in prices than those of other producers, of good quality and have no hazards for the consumers. With agricultural products, this involves serious efforts of disease control for crops and livestock. No crop diseases, no foot and mouth, no avian flu, etc. Any

Makerere University - Quality education is mandatory

Ugandan that does not see this, is an enemy of our prosperity. Do not cry for markets when you are not caring about the aflatoxins in the goods (from *oruhuumbo* ─ mold).

Aflatoxins cause cancers in human beings. Neither Ugandans nor our partners should or will buy such products. If you do not control the parasites that move around sick cattle and spread FMD (*ejwa*), know that you are sabotaging our chances of selling our huge quantities of powdered milk to many African countries and, possibly, others in the World.

The Government will assist in the trade drive by bringing down the cost of electricity, the cost of transport, in addition to the cost of money that we have already addressed in the UDB.

No. 7 is the fight against corruption. The corrupt officials, delay Government and private sector projects and inflate costs of doing business because the private sector are forced to add costs for the thieves. These are already being fought. Report them, do not fear them. The fight will continue and will be intensified.

Most of the points I have made above, are based on growing the economy using the sectors of agriculture, minerals, forests, fisheries, tourism and other services. Most of these are based on natural resources. However, embedded in the body of this document, is the onset of a new sector or sub-sector on the Ugandan economic scene. This is the sub-sector of knowledge based economy.

Among the strategic bottlenecks that we have been dismantling, has been bottleneck no 3, the under-development of the human resource ─ education and health. At the beginning of this document, I cited for you the number of children in the Primary Schools, Junior Secondary Schools, Senior Secondary Schools, Universities, in 1959-1962.

Those figures for pupils and students are now as follows:

1.	Pre-Primary Primary	-	2,029,441
2.	Primary	-	10,766,994
2.	Secondary School	-	1,991,915
3.	Tertiary Colleges	-	140,243
4.	Universities are 49 with	-	119,963

This massive force, is now beginning to bear fruits. It actually started some time ago with Dr. Muranga with bananas and Kyamuhangire with the *Eshaande* (banana juice), Musasizi and Tokodri with electric car, etc. Our people are now going into the vaccines for all types of diseases, anti-viral, anti-vectors, diagnostics, etc. We are supporting these efforts with the Innovation Fund; but they can also use the money in the UDB. A country like Japan, the third richest country in the World, after the USA and China, has no minerals, no oil and even no agriculture.

The Emperor of Japan told me that they had to keep 70% of their land under forest in order to survive the strong winds from the Ocean. Nevertheless, it is one of the richest countries in the World on account of depending on this knowledge economy — the scientists, the designers and the skilled labour-force. Uganda, fortunately, has everything — agriculture, minerals, forests, fisheries, tourism and, therefore, industries based on those natural resources.

In addition, we have created the significant human resource with the ability to create the knowledge economy. In the next Kisanja, if you support me, I will ensure that all Government scientists are well paid — my long-held wish. The NRM MPs should also support my proposals to massively fund the inventions of our scientists. A vaccine against covid-19 or an anti-viral drug, apart from saving life, will earn much more than coffee.

Therefore, in conclusion, Honourable Members of NEC and the National Conference, if you, again, support my candidature, I will be able to carry our NRM flag to the electorate and mobilize them as follows:

1. Uganda, under the NRM, has halted and reversed the decline of the economy that started in 1971 by achieving the minimum recovery that eliminated *magendo* (smuggling), *kibanda* (forex black market) and *kusamula* (speculation), by eliminating the shortages of 1986 and replacing them with the plentiful supply of all consumer and capital goods and also services.

2. Secondly, the economy has not only recovered but it has also expanded from US$1.55billion in 1986 to US$37.3billion if you use the foreign exchange method. That is expanding 23 times in size in 34 years. If you use the PPP method, the GDP is 106billion. The per capita GDP is now US$908 compared to US$264 when the population was only 14million people. The population is now 45million people. These figures do not include our oil wealth that is ready to go if it was not for this covid-19.

3. On account of the relentless efforts of the NRM, the historical *kulambaala, nino* (sleeping) of Ugandans, plus doing things without *cura (ekibaro)*, there is limited *akwenyun* (waking up). This limited *akwenyun*, apart from always ensuring that we always have enough in the country, has now generated big quantities and surpluses of coffee (7million bags), maize (5millioin tonnes), milk (2.6billion litres), bananas (10million tonnes), cassava (4.1million tonnes), sugar (500,000 tonnes), cement, pikipiki tyres, blankets, other industrial products, etc., etc. These increased quantities, have given an impression of "no market" for these products. However, the markets are there and they are:

Kiira Electric Car

Kayoola Mini bus

(i) Increase the purchasing power of the Ugandans because they are under-consuming;

(ii) Patiently, negotiate with East Africa and Africa at large to fully implement the common market protocols (agreements) of the market integration efforts for EAC, COMESA and CFTA**.**

(iii) Work for the Political Federation of East Africa because it is the ultimate answer to the issue of really integrating the markets of this part of Africa, given the fact that we are even lucky to have Swahili, a dialect that can unite us;

(iv) Working with Africa, negotiate for bigger external markets with the USA, China, India, Russia, EU, etc.

(v) Broaden the market for our products by deepening industrialization beyond the production of the primary industrial products of brown sugar, liquid milk, etc., to tertiary products like industrial sugar, casein, industrial starch, etc.

(vi) Lower costs of our products through the Government lowering the inputs such as electricity, transport and the cost of money so that we can be competitive with other producers in the World; it is not logical to think that people will agree to buy something more expensive or inferior in quality than what they would buy from somewhere else;

(vii) All Ugandans to understand that in order for us to sell our products in foreign markets, we must control and not tolerate anybody spreading crops and livestock diseases; those are our enemies; and

(viii) We must observe the phyto – sanitary requirements (safety of our products), no aflatoxins from *oruhuumbo* (mold) which cause cancer in human beings. With these, markets are there. The USA alone, gave us 6,000 products under AGOA, tariff-free, quota-free to their market. Let us wake up and be modern.

4. In the growth of the economy mentioned in no.2 above, we have created a base for a modern economy in the form of tarmac roads, electricity, telephones and the internet backbone and we are repairing the old railway as we plan to build a new one – the Standard Gauge Railway. With electricity, we are only remaining with the lowering of the cost by ending the distortions caused by Bujagaali and the Umeme contract.

With these, plus the low cost of money in UDB, Uganda will take off.

5. We are, additionally, going to take advantage of the human resource of scientists we have created to be a knowledge-based economy of motor-vehicles, fire-fighting vehicles, computers and computer solutions, agro-industrial products, vaccines, medicines, etc. In order to grow this industry based on knowledge, Government scientists must be well paid and they will be well paid. We have wasted alot of time on this with myopic selfish interests.

6. Our performing artists had become a big industry before this covid-19 pandemic. The weakness was absence of regulations where people would steal the songs of others. This will stop. The copy-right laws will be strengthened. The Hon. Peace Mutuuzo and the Attorney-General have been following this matter keenly.

7. My 61 years battle with the *bakolera kidda kyoonka, tic me ic keken, mia amvu 'nya aleni* (subsistence activities — only for eating), is continuing. It seems there is some progress. I hear that in some districts, the *bakolera ekidda kyoonka* have reduced in percentage terms.

8. The unemployed youth and the school leavers will be organized either in their *myooga* (areas of specialization) or in manufacturing associations to do value addition, using the revolving funds the Government has put in place at constituency levels. The youth associations, should do bull fattening for the abattoirs that have come up, maize milling and making livestock feeds, vegetable oil extraction, shoe making, knitting, weaving, etc., etc.

9. On social issues, I intend to conclude the issue of the theft of drugs in health centres by computerizing the whole process. One of our scientists has created a computer based method of recording everybody that is given drugs in any health centre anywhere in Uganda and it traces the journey of the medicine right from the medical stores in Kampala so that our medicine stops going to Congo, taken by our thieves. The other issue, that the villages have not advised me on, is the charging of schools on the children of the poor. I left this matter with you, the NRM members. What have you found? Can all the families afford to pay school fees or not? Some people were saying that all the families can *(nibabaasa)* but *nibegiza* (to pretend that you cannot do something when in fact you can). These two, on the social side, free education and adequate medicine in health centres, are on the top of my list of social issues. Immunization succeeded, that is why the population jumped from 14million to 45 million people. The curative side (using medicines), will also succeed.

10. On the issue of legal rights, it is the issue of land evictions. The Lady Justice Bamugemereire Commission, appointed by us a few years ago,

have produced a good report that will help us to end this injustice. In this document, I have pointed out the administrative and legislative actions we will take after thorough discussions to end this criminality.

11. Fighting corruption has already started with the IGG, the Nakalema group, etc. It will be intensified. The other day, I advised the Lt. Col. Nakalema group not to be passive, waiting for people to complain. They should be active — just check with the people quietly. The people who are the victims of corruption, the business people who are the victims of the thieves, will tell you. The Heads of the Agencies — IGG, Nakalema, IGP, should, in person, themselves, drop in an area and ask the people how the Government is working. They will get the stories.

12. Finally, stability and anti-crime. The country is stable; no wars and it will remain so because we are building big capacity. Crime both in Kampala and Karamoja has been and will be handled by the LDUs and the Police. The LDUs that made mistakes were arrested and will be punished. It seems, however, overall, the LDUs had done a good job. The other day when I visited the Kasubi area, the LC leaders there, told me that the withdrawal of "*Egye kuuma byaalo*" — "the army that guards the villages" — was not a good idea because "*obubbi*" (stealing) has come back. The LDUs are being re-trained. They will come back, if necessary.

The funding of the NRM activities has been discussed in CEC, where the Rt. Hon. Speaker is a Member and also the Rt. Hon. Prime Minister is a Member. Since the 17th March, 2010, we legislated for the Government to also fund political Parties. However, all these years, on account of many demands, the budget has been putting Shs. 10billion only, which does not always come. All CEC members have now agreed that putting aside 30billion or so to fund political Parties, is also a priority. Moreover, it is much smaller than activities like foreign travel by Government officials which takes Ugs. 162billion (FY 2019/20). Since we have avoided membership subscriptions, the only sources of Party money, eversince 2005 when we went multi-Party, have been my fundraisings and the little Government contribution to all the Political Parties and the contributions by the NRM MPs and, possibly, other leaders. Using my fund-raisings, we have been able to pay for Kyadondo, the NRM Secretariat, by paying off the US$1.9million to the previous Indian owner, from whom we were renting. It is now ours 100%. I have also been able to get a donation of yellow bicycles from our supporters that we shall distribute to the villages by the Secretariat, to the NRM village leaders (Chairmen).

I am also likely to get the pikipiki for the sub-county NRM Chairmen. With the improved budget, we shall be able to handle the issue of the vehicles for the NRM district chairmen.

We are working on the issue of the NRM houses, one at plots no. 28, 30, 32, 34, at Nile Avenue in Kampala, near the Crested Crane Towers and also on another site I got from well-wishers. The improved budget, will pay the arrears of Party workers and pay reliably the rent for the district offices. The most important thing, however, is for the NRM members to be role-models for all the other Ugandans in wealth creation. Which sector (*akaboondo*) have you entered to create wealth for your family? Remember the sectors are four: commercial agriculture, industry, services and ICT. With income, you, then, will be able to contribute to the NRM, to the church, to the mosque, etc.

Thank you. The future of Uganda is bright.

H.E. Yoweri K. Museveni

NATIONAL CHAIRMAN

9th August, 2020 - Entebbe

ADDRESS

By

HIS EXCELLENCY YOWERI K. MUSEVENI

PRESIDENT OF THE REPUBLIC OF UGANDA

AT THE

NATIONAL CONFERENCE OF THE NRM PARTY

25TH JANUARY, 2020

NAMBOOLE, KAMPALA

Today, January 25th, 2020, is almost exactly 61 years since I started my personal involvement of waking up (kusimula) the Banyankore that were nearest to me from the sleep (nino, kugwejegyera, lambala, kwebaka, lilo) of money-lessness in almost all the homesteads in the area, atop the very fertile soil (good for crops and pasture), supplied with flowing fresh water in every valley; starting from below the Indian and Arab (Abasiiri) shops at Ntungamo, you had the Nile tributary of Kyamate, coming from Kankingoola and joining the branch from Kaita-nturegye below Nyamabaare hill and flowing all the way to Katinda-Kyamugaashe, Kamira and on to Kategure and Rufuuha and on to Ekyaambu (Muvuumba) and River Kagyera. From the West of that tributary, in every valley, you had streams joining it: from Kabahaambi, crossing the Rukungiri Road below the Bafumbira of Ntungamo hill (Munyanshongore, Kasabariinga etc); Kafunjo through our land that we sold to Kampororo; Rwekigyera – on to the West of Sorugyeendo; Akabaare, below Katukuuza, the mad man; the Nyakaziba – Kabagyenda valley, starting below the SDA Church of Omusheenyi (which the SDA immigrants erroneously call Kikoni, I think); beyond Kikoni, you had the streams of Rukora – Kamarebe, Kyangara – Rujumo etc. - all pouring into the Katiinda – Kyamugaashe branch; and, then, at Kamira (which the Bafuruki erroneously call Omungyenyi), you had the big Nyarwaambu, coming from Lake Nyabihoko and contributing alot of water.

I know these Rivers and streams because I walked across them going to and from school, looking after our cattle or visiting relatives like when I visited relatives in Rugoongyi and Kagugu. I cannot describe the Nyakisa side well because I did not get opportunity to walk frequently there except once when I walked from my grandmother's home in Kirama to – Ihuunga, in 1954. What I have described is a portion covering a mere 8 miles – Ntungamo – Trading Centre – Mailo 40 and Kamira bridge – Mailo 48. Coming from the left (East), there are some streams I was about to forget. These are the Muchwankwaanzi streams and the Nyamaambo – Nyamabare streams, joining the Kyamate – Katiinda tributary of the Kagyera.

It is from this rich land of good soils for crops and pasture and with alot of fresh –water, but with universal money-lessness in the families, that I came in 1959 to join Mbarara High School for Junior Secondary One to 2. Having lived in those surroundings for 14 years of childhood and early teenage, I did not know anything better, other than looking at the only globe in one of the class-rooms and being told that there were some powerful countries in the World: Great Britain, France, USA, USSR etc. In the 6 Indian shops, we were buying textiles of Marekani (American) or Japani (Japan); soap was coming from companies known as Sunlight, Life-buoy, Lax etc., that I doubt very much whether they were located in Uganda; much, later, I started seeing Nakasero soap for washing clothes – that appeared to be local; even the refined salt – Kanyenye – appeared to be coming from abroad – only Mahoonde – the crude salt- appeared to be coming from Lake Katwe. Bicycles were Raleigh or BSA (Raare and Byeeshe – from UK); gamatox, the anti-tick acaricide, was from the UK; Pepsi-Cola, Fanta and Coca-Cola, were all imported; and there was even a picture of a dog that was drinking some strong intoxicant known as Karizootsya (the spirit that would burn – something – I did not know what). Even the Kahuunga (packed maize flour), was being imported and so were the tea-leaves until 1958 when the Banyankore started growing and processing tea in Kyamuhunga. There were tins of condensed milk that were being imported from Switzerland. The milk therein had a viscous texture and the Banyankore gave it an unfriendly name as they did for the imported rice. Sugar, however, even at that time, was already being processed by our people, Madhvani and Mehta.

As I said above, it is from this situation that I came in 1959 to join Mbarara High School, having lived in it for 14 years. If you discount by 3 years of serious childhood where one may not know most things around, then I had had 11 years of observation and some participation by that time. Talking of participation, I was, indeed, a participant of no mean proportions: milking cattle (kukama), kukwatira (holding uncooperative calves while adults milked their mothers), kukumirira enyena in ekihongore (better organised blocking of the aggressive calves contesting the right to their mothers' milk by the cattle-owners in the calf-pens), grazing cattle (kuriisa), watering them (okweshera), okuhatika (mild obstetrics for cattle), okuzaaza ente (midwiving cattle in calf – birth), kubanjura (breaking ground), kutabira (re-ploughing an old garden site – ekishaambu), kuteera amatsiinde (second ploughing), kwombera (second weeding), kubagara (first weeding normally done with very small hoes) etc. With cattle chores, it was always at home or with my uncles Riisi and Rwamunono. With cultivation, it was, mainly, with the school system.

Therefore, by the time I arrived at Mbarara High School, having used the 14 years of my tenancy on Earth well, I was an expert in all the indigenous technology of agriculture (livestock and crops) and, through the 6 years of the school system, I had heard, or seen through the school maps, of countries in the World that were more developed and stronger. By that time, I did not know why.

At Mbarara High School, the Sundays were visiting days. You could go out and visit places and people of choice. The first Sunday, I visited the Kamomos who were friends of my family. The second Sunday, together with another boy whose identity I cannot remember, I visited the Mbarara Government Stock Farm- where cattle, goats, pigs etc., were reared and crops grown according to scientific practices that ensured higher yields. To be fair, even in the school garden at Kyamate, the teachers had, using written instructions they were referring to, shown us how to make composite manure from grass, plant in rows (enyiriri), spacing etc. This was just for tomatoes which ended up with bigger tomatoes, having also used improved seeds. At Kyamate, however, we had not had the chance to see the improved rearing of cattle, goats etc.

With my visit to Mbarara Stock Farm (Kitaka Farm according to the Banyankore), my journey of transforming the communities had started. When I went for the April holidays, I told my father that we must change our ways for better results. By the end of my 8 years of stay in Mbarara town (2 years Mbarara High School and 6 years Ntare School), my thirst for waking-up the Ntungamo – like people of Uganda, was becoming the most important mission of my life. Why were the Ntungamo people and those like them money-less, yet they had very fertile land with alot of fresh water, they were hard-working and all of them had livestock wealth of cattle, goats, chicken and sheep? The money-lessness, translated into poor housing (there were only 3 mabaati homes in the Parishes of Kikoni and Nyaburiiza by 1956) and short-lives. By 1959, the average life expectancy in Uganda was 40.8 years. Since education was being paid for, many children could not go to school. By 1961, only 548,634 pupils were in the Primary Schools and 21,881 were in the Junior Secondary Schools in the whole of Uganda. The Secondary Schools' enrolment was 6,500 students. Therefore, this money-lessness, was not a pleasant sport. It had lethal consequences for livelihood and progress of the country and society.

By 1966, I had augumented my stock farm visit with visits to Mr. Mbiire's farm, the only farmer with freisian cattle at that time and I had also visited the newly commissioned ranches (the Ankole-Masaka Ranching Scheme). Only the chiefs and a few of the new political elite, had been invited to the heavily Government supported Ranching Scheme. Why not the masses of the other farmers? Apart from these local examples, our classroom studies had also given us a telescopic view of the humans' journey. The universe, in which we live, is 13.8 billion years old. 4 ½ million years ago, man evolved from the lower primates (monkey-like creatures) into homo sapien sapien (the wise man). This was an improvement on earlier attempts at human evolution. The Neanderthal man and homo-erectus, had now been superseded by the homo sapien sapien. This man, unlike the other creatures of God, had three unique characteristics: a large brain, a hand that could hold and shape tools and bipedalism – walking on two legs, which fact freed his head to thinking better and his eyes to see far. On account of these, this homo sapien sapien, was able to think of solutions to the problems he faced and to make tools that could assist him in all those chores. Eventually, man invented fire one and a half million years ago. He invented the science of agriculture, around 12000 years ago. He started domesticating animals, around 15000 years ago. He invented the use of iron-tools in the year 1200 BC. Africa took part in all these Revolutions. Each invention, made life for man easier.

However, Africa's problems started when a German man, by the names of Johannes Gutenburg, invented the Printing Press, in the year 1440. An English man, by the names of Thomas Savery, invented the steam engine for pumping water in the year 1698, another Englishman, by the names of John Stevenson, adjusted the steam-engine to the pulling of the train – working as a locomotive engine in the year 1812-13. These inventions introduced a new element in the 4 and a half million years' journey of man. All the other inventions had been powered by the muscle of man or beast – the hoe, the machete etc., were always powered by human muscle. The chariot, the donkey loads, the plough etc., were always powered by beast power. Now, for the first time in human history, machine power was replacing human and beast powers.

It is, at this point, that the African missed the bus of history. He continued using muscle power and, in some cases, animal power, in the age of machine power. To compound the problems of the Africans, around the Tenth Century, the Chinese invented gun-powder. The peaceful Chinese, never thought of using gun-powder for weapons. They just used gun-powder for fire-works for amusement. It is the Europeans who, in the year 1327, started using gun-powder to propel projectiles – bullets, shells etc. The combination of machine power and gun-powder, by 1900, had caused the total conquest of the whole of Africa, except for Ethiopia.

By 1961 when young Yoweri Museveni went "abroad" to Mbarara from Ntungamo (only 40 miles apart), 521 years from the year 1440 when Gutenburg invented the Printing Press, Africa, which had missed this bus of gun-powder and machine power, had been through the years of slave- trade, colonialism, incredible up-heavals including genocide as in Bunyoro, etc. Africans, however, on account of their strong heritage, had survived and, in combination with other freedom fighters in the World, were on the verge of defeating colonialism. Yet they were still relying on the human muscle (the hoe, the machete, the grinding stone, the engozi for carrying children on the back, the ensuwa carried with enkatta on the head for bringing water from the well etc.) and, in some areas of Uganda, the beast muscle, like the donkey for carrying loads in Kapchorwa and the oxen for pulling the plough in Teso, Lango and Acholi.

The use of machine power, introduced the phenomenon of large-scale production of goods and services which, in turn, caused sociological, economic and, even political, changes in societies that had embraced machine power. New social classes that had never existed before in human history, emerged. These were the middle class (the bourgeoisie) and the industrial working class (the proletariat). These added themselves to the old social classes of the feudalists and the artisans and the peasants (the serfs as they were called at that time). The middle class are the big producers of goods and services and they, therefore, think of markets and so do the proletariat because the more buyers that buy their products, the more prosperous they become. The industrial societies, therefore, thought of markets, of class interests, of interests (okukyenuura). In the pre-industrial societies, like the Uganda of 1959, where production was human-muscle-based and of very limited quantities, they did not understand the importance of markets and, instead, continued to think in terms of identity of religion, tribe and gender (men looking down upon women). When you are looking after goats, you just need one hill. You do not have to bother thinking about the whole of Uganda or Africa.

The 8 years of the school system in Mbarara (1959/1966), showed us clearly the difference between the two sets of human beings: the industrial societies of Western Europe, North America and Japan that had benefitted from the combination of gun-powder and machine power for now 639 years on the one hand and the pre-industrial societies like Uganda that were still using human muscle or beast muscle, were determinedly money-less and socially stunted – no middle class, no skilled working class, only with peasants, some artisans (black smiths, carpenters etc.) and an emasculated feudal class, the colonialists having taken political power from them, on the other hand.

In the school system, we had picked up two historically more recent cases: the case of France and the case of Germany. France had been a united kingdom ever since 843 AD. However, there were internal fiefdoms (areas badly dominated by a group) in the form of the internal provinces of France: Burgundy, Brittany etc. Although France was one kingdom, to go from one Province to the next Province, you had to pay a tax known as Traite. This escalated the costs of doing business in France. The new middle class (the bourgeoisie), would not tolerate this. It was one of the reasons for the French Revolution of 1789. The feudal class, was for localism. The middle class, was for integration. As late as 1870, Germany was not one Country. It was 39 kingdoms: Prussia, Saxony, Bavaria etc. They, of course, had taxes on the borders. There was a class of big landowners in Prussia who were producing alot of grain and grapes. You could, however, not freely access the markets of the German mini-states (the kingdoms). This group of big land owners in Prussia, were known as Junkers.

This is how a Pan-German Movement, under Bismarck, started, resulting in the Franco - Prussian War of 1870 and resulting in the birth of a United Germany, in 1871. The Middle –class and the skilled working class, were for modernization, for mass production using machines and better organised and were motivated by the concept of profit and were for integration and cosmopolitanism. Yet, it is precisely, this agent of growth and transformation that Africa, including Uganda, lacked. Instead, the population was predominantly peasant, either engaged in subsistence farming (okukolera ekidda kyonka according to the Bagwere of Eastern Uganda or tic me cam keken according to our Acholis), or were growing, by force, crops ordered by the colonialist such as cotton and coffee without any kibaro, cura, aimar, otita or economic assessment to use the English equivalent, which assessment would have told us whether those crops were good for the families growing them or not. They grew the crops because the colonial system needed them and not because they aimed at emancipating the people from poverty. That is how Robusta coffee is called Kibooko (caning), in Uganda. It was introduced by forcing Ugandans to grow it, through caning.

Having keenly studied this and having continued to refine our ideas in the University, we saw that the diagnosis of Uganda was social under-development, social stunting (kuningama). The absence of a middle class and a skilled working class, was a serious disability factor. That is why we were determined to work for the development of a modern society that could ensure the prosperity of our people through the total monetization and commercialization of our economy, working on developing the middle class and skilled working class through two routes: convincing all the homesteads to join the commercialization movement by producing food for home consumption but also producing products for selling, guided by ekibaro, cura. Secondly, education for all, so that we get our people out of

Power Lines From Karuma to Arua

ignorance and they are able to read, write, understand numeracy and some are able to advance to intellectuality and the mastery of technical and scientific skills. Get the people out of negative obujajja (traditional way of okukolera ekidda kyoonka) and join the culture of creating wealth and jobs in the four sectors. Which are the four sectors? They are: Commercial Agriculture for all the homesteads that have rural land; Industries –big or small; services (hotels, shops, transport business etc.); and, more recently, ICT using the byuma bikalimagezi (the computers and other ICT machines). In otherwords, modernize and transform our society. Waking up our society from okulambaala – nino matek (sleeping).

If, however, everybody wakes up and they start producing wealth and jobs in the four sectors, who will buy all that production? That is how we evolved the four principles of the NRM. These are: patriotism within Uganda (unity within Uganda – no sectarianism), so that the Uganda market is together; since the Ugandan market is, however, not enough with our 42 million people, we found we needed the African Market to ensure the prosperity of the African people, hence the principle of Pan-Africanism; however, we cannot have the capacity to produce for these markets, unless we get out of the negative bujajja (traditional way of life) and the isolated colonial distortion of growing a few crops by kibooko, by becoming modern people through social-economic transformation, through education and engaging in money-making activities of our choice from the four sectors; all this, needs democracy so that the people keep checking on the leaders.

This was the diagnosis and prescription of the NRM for Uganda that formed the ideology and strategy of our struggle and efforts. When the civil wars were forced on us between 1971 to 1986, we were able to build a National Army, the Fronasa – NRA, that prosecuted and won that civil war. After 1986, we had alot of security challenges from Lakwena, Kony, ADF, FOBA, the cattle-rustlers in Karamoja armed with modern guns and, more recently, killers with bijambiya (by matcheting people); but, as you all witnessed, the NRA/UPDF, overcame all those challenges. Why? It is because we created a capable state with a capable Army and other Security Forces. On the side of education, we introduced UPE in 1997 and USE in 2007. These have helped the literacy rate to come from 43% to 75%. The numbers in the Primary Schools and Secondary Schools are now about 10.7 m pupils and 2 m students, respectively.

On the side of monetizing the economy and society, the production figures have gone up. Coffee from 2 million 60kg bags, we are now producing 5 million bags; bananas, we are at 10 million metric tonnes and have the capacity to go from 5.3 tonnes per hectare to 53 metric tonnes per hectare as Dr. Muranga has done at Nyaruziinga; maize, from 200,000 tonnes to, now 5 million tonnes per annum; tea, from 3 million kgs per annum to 60 million kgs: milk from 200 million litres to, now, 2.5bn litres; 5.6m metric tonnes of cement; 216,000 tonnes of steel products (mitayiimbwa); 530,000 metric tonnes of sugar; 10 bn. litres of soft drinks; 2.7 m tyres and tubes of piki pikis; 37m metres of textiles; 345 m litres of beer; pharmaceutical drugs; the Kiira electric car and the Kayoola mini-bus that are powered by solar energy; and many patents by Ugandan Scientists that we try to help with the use of the Innovation Fund – Dr. Muranga, Kyamuhangire, Musasizi, Tikodri Togboa etc. This is how you hear that the economy has been growing at the rate 6.3 % per annum for the last 33 years and it now stands at US$ 34.2.bn. (FY 2018/19) by the exchange rate method or US$ 87 bn. (FY 2017/18) by the PPP method having been only US$0.4bn. in 1986. This growth would not have occurred if we had not semi-modernized the infrastructure. Power generation will soon stand at 1,767 megawatts with the commissioning of Karuma, Agago and other plants from the 60 megawatts of 1986. We have linked, with tarmac roads, the 6 directions of the compass from border to border as follows: East – West:– Busia – Malaba to Busuunga – Mpondwe in the West (625 kms); North to South:– Nimule – Musiingo to Entebbe (475 kms); Oraba in the North-West to Murongo – Mirama hill – Mutukula in the South East:- (783 kms); Cyanika, Bunagana in the South – West to Moroto in the North East:- (945 kms); and Malaba – Busia to Hoima –Kaiso-toonya in another section of the East-West direction:- (477 kms).

This does not include the other internal roads such as the Kigumba – Kyenjojo Road (242 kms), Musita-Mayuge – Namayiingo – Busia (84.7 kms) etc. Together with our brothers in Kenya and Tanzania, we are developing the standard gauge railway system. On the Uganda side, we have concluded everything and we are ready to start with the Kampala – Malaba section. These efforts, will lower the costs of doing business in Uganda. Especially for the manufacturing, I intend to move the cost of electricity to 5 US$ cents per unit from the present US$8.7 cents. It used to be US$ 10 cents. By solving the mistake of the expensive financing of Bujagaali, we shall attain the 5 cents target for manufacturing. The power of Kiira/ Nalubaale is at US$1.1.cents per unit. The power of Isimba is at US$4.16 cents per unit. The one of Karuma is at US$4.97cents per unit. It is only the power of Bujagaali, that is distorting our pricing formula because of the mistake of accepting expensive money and without consultation.

Therefore, delegates of the esteemed NRM Party, your Party and its pre-cursors, have done quite well for the last 60 years. We were able to correctly diagnose the problems of our society, early on, as social economic underdevelopment, caused by missing the historical bus of machine power and gun-powder power, which missing caused the phenomenon of a sociologically stunted society that lacked the modern middle and skilled working class societies. Given our huge natural advantages, however, we came to the conclusion that these were easily curable just like the Chinese, the Indians and the South Koreans have done in the last 60 years. That is how we rejected the line of identity of religion and tribes in politics.

We also correctly identified the importance of the private sector in terms of creating wealth and jobs. That is how we now have 4,920 factories, 8,400 service companies, 4,100 ICT companies, employing: 700,000, 1,300,000,

Training Session at Tooke Bakery at the PIBID Centre

H.E Y.K Museveni and the First Lady at the Opening of the PIBID Pilot Plant

H.E Y.K Museveni and the First Lady at the Opening of the PIBID Pilot Plant

15,485 workers, respectively, giving a total of 2,015,485 workers. These are the beginning of the proletariat class that Africa should have developed in the 1800s- i.e. 200 years ago. It is better late than never. Our proletariat are actually better than the European proletariat and I even suspect they are better than the more recent Chinese and Indian proletariat. Our proletariat are mostly quasi-proletariat because, on account of the vast natural resources of Uganda, they also own land, cattle, goats, pigs, chicken etc. The European proletariat, in the past and even possibly today, were a desperate group. According to Karl Marx, 'they only owned their labour'. The exact quote goes as follows: "Normally, the worker is legally the owner of his labour power and sells it freely according to his own wishes." Ours, have their new jobs, their NSSF savings and their properties which are being managed by relatives. The more factories and service companies we are attracting, will also absorb more of our youth. The proletariat mentioned above, do not involve figures from agriculture.

Mr. Nyakana of Rwengaaju Village, Kabarole District, testified that since heeding the NRM message of going from okukorora ekkida kyoonka and looking after chicken commercially, he now employs six workers. Previously, he was unemployed himself and he was, of course, employing nobody. If all the other 8 million families of Ugandans that own an acre or more of land did some business or copied Mr. Nyakana of Rwengaaju Village, the issue of unemployment in Uganda would be solved. Even just 2 million families of farmers, each employing 6 people, that would absorb 12 million Ugandans.

Therefore, our diagnosis and prescription has already started changing the Ugandan society. By 1969, the factory workers were only 39,154 and those working in services companies were 66,953 workers.

Yet, we could have achieved more. I have, however, noted that some NRM leaders and cadres have not absorbed very well the NRM ideology, philosophy and strategy, as outlined above which is, first and foremost, pro-the ordinary people, especially the ones that are still in the okukolera ekidda kyoonka or the factory workers. We must, therefore, always understand well their issues and always defend their legitimate interests – because they are the ones who may not be conversant with the dynamics of the modern world. In particular, I have identified 6 areas in which the NRM must closely guide the people. These are: house-hold incomes; education for their children; opposing their illegal eviction from their bibanja; opposing the stealing of drugs in the Health Centres; opposing the corruption of Government officials – Policemen etc.; and working on the feeder roads.

As I said, right from 1959, I started working on waking up the Ugandans that were near me from the kulambaala (sleeping) of okukolera ekidda kyoonka – tic me cam keken, working only for eating, what, in English, you have nick-named "subsistence agriculture". Between 1966 and 1970, I participated in a concerted effort in the same vein in the Kiruhuura area. After the bush war, I resumed the same campaign. The people in the Kiruhuura area had, by 1995, positively responded to these efforts by taking the radical step of adopting the more milk yielding friesian breeds in addition to or, sometimes, even instead of, the indigenous Ankole breeds. Having succeeded in the North Ankole area, in 1995, I took the message to the whole of Uganda. Those that are old enough, remember the catch words I was using at that time: okulembeka, jolopii, aiga-akipi, okubarira, cura, aimar, otita etc. These different words in our respective languages, were exhorting our money-less people who, nevertheless, have land and other assets, to select some profit making enterprises they could do on their land or other work sites. Starting with entandikwa, PMA, Prosperity for All, NAADS and, more recently, with the OWC with the UPDF soldiers, we have been attacking the same problem – "money-lessness" by abstaining from doing any money-making activity, just because of bad attitude, because of ignorance.

Even by the Census of 2014, about 68% of the homesteads, were still outside the money economy. This is the greatest challenge to our country and society. OWC has distributed 1 bn. seedlings of coffee, 3.8m seedlings of fruits, 5m banana suckers, 5,321 heifers, 2,106 pigs. Recently, we launched the Myooga Fund – 18 of them – funds to support livelihood activities based on commercial principles. It is the same effort that aims at monetizing our entire society. The Parish must be the centre of auditing this effort. There are 9,748 Parishes in the whole of Uganda. The NRM leaders, especially the MPs, LC3 Chairpersons and the RDCs, must ensure that all the homesteads wake up and join the money-making campaign, based on ekibaro, cura, for the benefit of their families and for the benefit of the country. This is the best support for the people; it is the most pro-people policy measure the NRM has come up with. It is sustainable and very profitable.

The next important measure, is the free education we launched in 1997. As I speak today, many UPE beneficiaries have graduated from Universities. Unfortunately, however, some saboteurs, have been sabotaging UPE and USE by re-introducing school money charges in Government USE and UPE Schools. This is a wrong move. The question is: "Can the parents afford the charges that are being imposed on them?" If they cannot, then what will happen to these children who drop out of school? Whom are you punishing by expelling from School, the student that cannot pay? I am now going to ask the new Minister of Local Government to get every Village Assembly in the 67,392 villages in the whole of Uganda to pass a Resolution on this. Can all the parents afford these charges? If they cannot, it is a crime to re- introduce them. Check in your villages. How many children have dropped out of school in each village? Even from far, I can tell that many children are dropping out of school. How do I know? I know because, while there are 10.7 million children in the Primary Schools – seven years of study -, there are only 2 million children in the Secondary Schools – 6 years of study – almost the same length as the Primary Schools. Where have the others gone? If the UPE and the USE are not needed and if the parents can afford, then let us withdraw the Shs 1.830 trillion that we spend every year to support UPE and USE, so that we use it to do other things.

Then there is the issue of land evictions, especially for the Bibanja owners in

Organised Urban Living


TECNO

Buganda where the colonialists had introduced the iniquitous Mailo land. In the 1995 Constitution, we tried to be balanced between the Landlord and the tenants. We recognized six categories of bibanja owners: the one that was given ekibanja by the landlord or his agent; the one who was on that kibanja in 1983 or before – whom we termed bona-fide occupant; the one who bought from one of the two above; the one who inherited from one of the two above; the one that was first to settle on the Public land (kutembuura); and the ones that were settled by the Government like the ones we settled in Kisiita, Kanyaryeru etc.

These six, were lawful tenants and we agreed that nobody should evict them and that the rent they should pay, should be nominal, not commercial. We also agreed that when we are able, we should expand the Land Fund from the Shs.39.5 bn. per annum, we have been putting in the budget, to compensate the landlords so that they pull out completely and end this shameful arrangement. It is, therefore, illegal and a provocation to the NRM to evict these people. Recently, in our walk, I interacted with some of the victims. We are going to defend them. Many of them stood with us in the struggle. We cannot abandon them. If you do not fall in the 6 categories, do not tell lies. Speak the truth and we shall see how to handle your issue. Even the land we returned to HH the Kabaka and other traditional leaders, must be handled in the same way. If it is heavily settled by the 6 categories, then the traditional leaders, should discuss with me how we can empower them but should not disadvantage our people in any way. They should not introduce any formula that is at variance with the 1995 Constitution. That Constitution, in respect of land, was deliberately crafted to capture the historical compromise between us, the freedom fighters and our peasant supporters, on the one hand and other interests on the other hand. In the month of February, I will discuss with the concerned traditional leaders a definite solution to this issue.

We, then, have the issue of the stealing of Government drugs from Health Centres. What are the GISOS doing? There is a GISO in every Sub-County. Why should the theft of drugs go on and the GISO is doing nothing about it? How about the DPC? How about the Sub-county Chief? They are responsible for knowing and stopping these thefts and so is the CAO at the District.

Corruption has become a big problem for the people. Yet, it is easy to stop. You saw what happened to the Officers in the Prime Minister's Office. They are all in jail. There are some colluders who have been trying to help them to keep some of the money they stole. We know who they are. They will be netted. I do not want to list all the other fellows accused of stealing because I do not want to be accused of going against the law of sub-judice – do not comment on matters that are in Court. We shall defeat the corruption, like we defeated the other challenges.

The network of tarmac roads is expanding. We now have 4,966 kms of tarmac roads and when the roads under construction are finished, the total will be 7,000 kms. However, the murram roads are not maintained systematically.

The machines we bought from Japan, should be used to maintain, with good murraming, certain categories of roads without fail. How about the linking of Constituencies? Surely, these should always be in good condition. So must the inter-Sub-County roads. The Sub-counties/Town Councils in Uganda are 2,003. Many are already connected by the big national and inter-District roads. If those are well maintained, the problem will be less. If I take the Sub-counties of Gombe, Masuliita, Makulubita, Semuto, Kapeeka, they are already connected by the tarmac road from Matugga to Semuto and Kapeeka. However, the Ministries concerned, should identify the other crucial links between the other neighboring ones: Wakiso, Kakiri, Namayumba, Busuunju, Kikandwa, Dwaniro to the left and in front as you face the Kapeeka direction and Bombo, Nakaseke, Kiwoko, Wakyato etc., to the right. You do not have to take on too many of such. One good one for each of the Sub-counties would be good enough. I was happy to see that the Kapeeka – Nakwaya Road was good during my recent walk. Then work out a plan for the smaller roads. Affordability is always very crucial in planning.

Home-stead incomes, free education for the children of the poor, stopping the stealing of drugs in Government Health Centres, stopping evictions of bibanja owners by the landlords that do not respect the historical compromise put forward by the NRM, fighting the corruption of Government officials and working on the feeder roads. Today, these are the very important pro-people measures, that we need to ensure.

As you can see, my emphasis is on the ordinary people. It does not mean that we have forgotten the 32% of the homesteads who are already in the money sectors. Actually, in some areas, this figure has now gone up-reducing the portion of people still in subsistence economy (okukolera ekidda kyoonka). In Mityana, my people told me that the households in the money sector have now reached 50%. Not too bad, but not enough. The people in the money sector are bound to do well, now that we have given them better infrastructure and lowered the costs of doing business. The manufacturing, services and ICT Sectors, will grow tremendously and so will commercial agriculture provided we stump out corruption among the Government officials handling these issues.

Remember that the historical mission of the NRM is to make the Ugandan jump on the historical bus of machine power and gun-powder power that they missed since 1440 when Gutenberg invented the Printing Press and, as a consequence, cause the metamorphosis of our society into a middle class, skilled working society and away from the society of peasants, low skill artisans and a miniscule and powerless feudal class. We have already created some impact as pointed out above with the workers in factories etc. Even though alot is yet to be done, the little we have done has already caused big changes that have now crystallized new challenges. We now have surplus bananas, surplus sugar, surplus milk, surplus maize, surplus cement, surplus steel products, surplus textiles, surplus tyres and tubes for motor-cycles etc., etc. The long - held analysis of the NRM that tribal and religious affiliations were wrong and suicidal and that the legitimate interests of the people should be to work for the prosperity of the people, has now been vindicated. Prosperity means the sale of goods and services one produces in big quantities and with good prices. It means the market. The internal market of Uganda is not enough. We need the regional market of East Africa, the continental market of Africa and the international market. However, we cannot credibly negotiate for the international market, if we do not have a strong African market to use for counter bargaining. This means that the patriotic political parties in Africa, in order to support the prosperity of the African people, must support the economic and, where possible, also the political integration of Africa. You have heard of us supporting the Abuja Treaty of 1991 and the CFTA of 2017. These were all to create the Free Continental market of Africa, so as to, precisely, solve the problems Uganda is facing right now – too much sugar, too much maize, too much bananas, too much cassava, too much milk etc. It is not too much of anything. It is only too much of disorganisation. How can the 2.5bn. litres of milk Uganda is producing now be too much? Holland in Europe produces 10bn litres. It is all sold. Why? It is because of the EU market mechanisms. With a well-functioning African free market, the issue of marketing will be addressed. The even more decisive way of addressing the issue of the market is to work for both economic and, where possible, also for political integration. That is why, eversince 1963, we have been supporting the creation of the Political Federation of East Africa. We never support the political union of the whole of Africa, because we prefer political units that have got internal cohesion. The whole of Africa does not have that sort of cohesion – language, cultural etc. East and Central Africa have – the Swahili language, apart from the inter-lacustrine Bantu and Nilotic dialects, is a very strong adhesive for unity. I am glad, the East African Countries have agreed on the issue of the confederation as a first step. Justice Benjamin Odoki is leading the Constitutional Drafting Committee. The media, however, is not paying attention to this earth-shaking development in Africa, of un- paralleled historical importance. The Press is, instead, awash with accidents etc. They left undone what they ought to have done and they did that they ought not to have done and there is no truth in them, it says in the Church of Uganda Common Prayer Book, on Page 5. The Ugandans need to wake up and completely debunk the trash of the politics of identity: tribe, religion, gender-chauvinism etc. Interests for prosperity and strategic security, not identity politics with its sectarianism. Let those who have been promoting sectarianism of religion, tribe and gender –chauvinism, provide market for our products. Let them buy the sugar, the milk, the maize, the bananas, the cement, the cooking oil etc.

Therefore, the diagnosis and prescription of the NRM and its precursors, have been accurate all these years and so has been the strategy that identified the 10 bottlenecks. The Ugandans and the other Africans must, finally, get on to the bus of history which has been by-passing them for the last 600 years. We must build a modern-science-led society and the society itself must metamorphoze into a middle-class, skilled working class one, running a fully monetized economy of the four sectors of: Commercial Agriculture, Industries, Services and ICT in addition to the Public Service (Government

Departments). This is the mission of the NRM and it has been the mission for the last 60 years. There were other Ugandans that also contributed to this vision such as the Movement of I.K. Musaazi in the 1930s, 1940s and 1950s. Unfortunately, Musaazi's Movement, was torn apart by the sectarian politics of the 1950s. He had, however, made his humble contribution to patriotism. Let us consolidate our achievements. This was the main reason of calling this Conference. To revisit the ideology of the NRM. Ideology and strategy are most important issues for a political group. What is the message of a political force? Meetings without understanding the ideology, are a waste of time. I have never met Jesus, but I am a Christian. Why? It is because I read the Bible and Priests keep reminding us.

On the issue of marketing our surplus products, however, we shall not wait, passively, for the maturing of the CFTA etc. There are other measures we are already taking, that will broaden the demand. We say there is too much maize grain. However, when I look at the import figures of Uganda, I see that maize products to the tune of US$118,597,120 millions are still being imported. That means that we are only using maize for kawunga – maize flour. We are bringing investors to make all the types of animal feeds, industrial alcohol, pharmaceutical and industrial grade starch etc. Those will absorb this artificial surplus we are talking about now. How about baby formula milk we are still importing? It seems that food preparations, that may include baby foods, are consuming US$29m and are still being imported. How about the industrial and pharmaceutical grade sugar? We are still importing these types of sugar to the tune of US$192,070,689million per year. While the demand for drinking sugar in tea may be saturated in Uganda and the region, the demand for the more refined sugars for the use by Coca-Cola and for medicine is still unattended to, both in Uganda and the region, if not the whole of Africa.

Let us broaden the spectrum of the final products. It will address, in part, the issue of demand. Besides, even for maize flour, powdered milk etc. there is alot of demand in Iran, Egypt, Algeria etc. However, the quality of our milk and the other products must meet the required standard in order to access these markets. The grade of our maize, for instance, is undermined by the bad post-harvest handling – putting food on the ground (soil), where there is fungus. This is the fault of the Ministry of Agriculture who do not educate the public. During my recent walk, I noticed many farmers drying coffee, maize etc. on canvas or cemented ground. I, however, saw somebody in the Masuliita area, who had harvested unripe coffee. These are enemies of our prosperity. We must be strict with them, even legally. Otherwise, even today, there are many friends that could buy our products but we must solve the problem of quality.

Recently, I was in the UK and the Prime Minister, the Rt. Hon. Boris Johnson, declared that my cattle will have an 'honoured place' on his breakfast table. We had not followed so much the issue of Brexit. It seems, however, that that event may have global significance by undermining the unfair cartel the EU built, starting with the Treaty of Rome of 1957 which shut out of Europe

A Capable State with a Capable Army

the products from Latin America, Africa, Australia etc. By 1955, in the school system, we were being taught that one of the richest countries in the World was Argentina. Why? It was the biggest producer of beef and of wheat in an area known as the Pampas. With the European Cartel, Argentina's prosperity, it seems, collapsed. Therefore, the UK market is now open for our products provided they are of good quality and, of course, of competitive prices. Therefore, Ugandans, No excuses. As we work on the African market, there are plenty of other opportunities.

The second and smaller reason is an organizational one. How to handle primaries? Due to ideological limitations, some actors take political leadership as a matter of life and death and are ready to cheat in order to get the flag of the NRM. This annoys the population and, if not checked, can lead to disenchantment by the population. That is why we thought that we should go back to lining behind candidates. This is transparent and definitive. There are no arguments as to who won. Some people have brought out some arguments against the lining up. They have quoted three reasons as follows:

(a) Politically discordant couples are protected from conflict by the secret ballot;

(b) Candidates will hate the people that did not vote for them;

(c) It will not solve the problem of independents because the national Constitution provides for them.

We considered these side-effects of the lining up medicine which is the real cure for cheating. The main answer to the two above is that even with the secret ballot, political contests attract supporters and opposers. A candidate's supporters form task forces, campaign for the candidate etc. Many of the supporters are known – secret ballot or not. The question, then, is: "What percentage are those discordant couples or those whose candidate preference they prefer not to be known?" It cannot be the majority. It is the majority we want to cater for so that they stop blaming the leadership – rightly or wrongly, for instance in the primaries, apart from the huge expense. On the issue of independents defying the lining-up and going as independents, they will have a weak case because everybody would have witnessed the lining-up. The potent point of independents is the claim that they were cheated. If that is removed, their claims will be weaker. Besides, the NRM will not tolerate such members. In the past, we hesitated because we were not sure about who was right and who was wrong. It will, therefore, improve discipline in Parties. This is why we are recommending it.

I thank all of you.

'In Economics, we must identify the firm ground from the sandy ground. The firm ground for economics is in answering the fundamental human needs which are: food, clothes, shelter, defence, the human resource developement (education and health), infrastructure, medicine and spirituality. With these, the society is secure. It is these that support life, morality and enlightenment. With all or some these, you have the basic economy that is firm.

When conditions permit, however, you can also take advantage of the Leisure and pleasure economy of tourism, hospitality(hotels, bars, night-clubs,Casinos) and entertainment such as concert, sports, etc. This type of economy should be unterstood for what it is: fair-weather sector that is rewarding but very sensitive. The demand for these nine is not ephemeral; it is durable, it is eternal.The others are additional and optional. The latter, if available, are welcomes; if not available, their absence is survivable".

-YOWERI KAGUTA MUSEVENI

President Yoweri Kaguta Museveni perceives economic empowerment as a practical tool that the African people are yet to fully utilize to achieve total liberation from all forms of domination and powerlessness. He is driven by an urgent need to permanently cure Africa's vulnerable position in the global arena of economic and political giants.

According to President Museveni, Africa's vulnerability is characterized by a fragmented market, underdevelopment, political instability, socio-economic backwardness etc. As one who dedicated his youthful years to Africa's liberation struggles against agents of colonialism and neo-colonialism, he is deeply concerned that Africa is still easy prey for plunder and marginalization as long as the strides towards economic and political integration remain at snail pace. This explains his aggressive fight against the subsistence nature of our communities; prioritization of infrastructure development; his efforts towards the pacification of turbulence ridden neighbors and tireless call for integration.

General Museveni remains an eternal optimist who believes in the revolutionary euect of good leadership. He is a practical visionary who lives by the carpenter's rule which states: "measure twice and cut once."