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Uganda as an African ‘Democratic Developmental State’? HIPC Governance at the Turn of the 21st Century

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This chapter argues that, informed by the demise of the Asian developmental state in the mid-1990s and the *possible* rise of an African variant in the early-2000s (Mkandawire 2001), we need to rethink the assumptions and analyses of ‘comparative politics’ to accommodate a range of irrefutable current phenomena such as contracting-out, corruption, flexibilisation/feminisation, fundamentalisms, money-laundering, narco-diplomacy, regionalisms, smuggling, the privatisation of security, supply chains etc. These are no longer aberrations but rather central features of the political cultures and economies of the majority of the world’s states and are typical of regions like Africa, Central America, Central Asia and Eastern Europe. Furthermore, such distinctive forms of capitalisms confirm that there are important differences amongst its major regional variants, not just in the trilateral world i.e. between liberal trans-Atlantic Anglo-America, corporatist continental Europe and Japan (Cox 1999), but also among and between overseas Chinese, Latino, Islamic and African diasporas. Thus the current political culture/economy of ‘Africa’ has to be situated in a range of interrelated contexts, from global to local (Shaw 1999), as presented in the first half of this chapter.

Definitions of and relations among states, economies and civil societies are everywhere in flux, given globalisations, regionalisms, migrations, neo-liberalism etc. Yet, as indicated below, contemporary texts on government, international relations and/or political science rarely appreciate this. Likewise, the post-bipolar world community now consists of some two hundred mainly poor, small and weak countries. But most orthodox studies of foreign policy fail to recognise their tenuousness or vulnerability (Khadiagala and Lyons 2001) unlike the state of analysis in the less ominous/global world of the 1960s. Today, only a minority

of critical analysts focus on the other side of globalisations (Broad 2002, Gills 2000, Klein 2000, Mittelman 2000) or on the regional and global networks of informal/illegal trade in people and products, mafias/militias, drugs and guns etc (Cox 1999). Yet the formal governmental regimes of over half the members of the United Nations and World Bank exert at best a tenuous control over their territories, economies and civil societies.

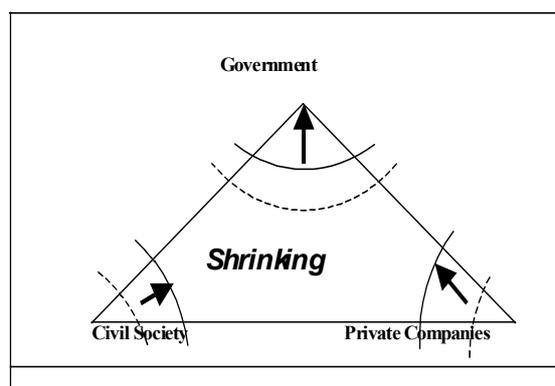
In the aftermath of the erstwhile Asian miracle/model, we need to reflect on resulting analytic and policy insights. Were 'Asian values'/the 'Singapore School' merely an intellectual disguise or subterfuge for Asian (essentially overseas Chinese) cronyism (Crawford 2000)? Might the African renaissance supersede that in Asia a decade later? Is Thandika Mkandawire's (2001) formulation of an African democratic developmental state a chimera? Could the juxtaposition of Asia 1990s and Africa 2000s throw creative light on developmental experiences/lessons/policies? In particular, are HIPC and NEPAD compatible, leading to an original framework for an innovative form of local to continental African developmental governance?

I turn first to the global-local dimensions of Uganda as an emerging democratic developmental state, before turning to an analysis of its current HIPC governance.

Global

First, just as states are highly heterogeneous—from Switzerland and Singapore to Somalia and Sierra Leone—so likewise are non-state actors. The two non-state corners of the 'governance triangle' (Commonwealth Foundation 1999: 16) include global corporations and local micro-enterprises along with informal and illegal enterprises as well as formal and legal.

Thus it is imperative to recognise that global capitalisms are in fact heterogeneous rather than homogeneous. Indeed, relationships around the governance triangle vary between liberal Anglo-America, corporatist Europe,



welfarist Scandinavia and Asian varieties, notably Chinese (mainland *and* overseas) versus Japanese. Africa has its own distinctive form of for-profit structures, increasingly impacted by South African capital and brands.

Similarly, NGOs vary from familiar global INGOs to very local grassroots organisations (Desai 2002; Van Rooy 2002). In particular, NGOs can be distinguished in terms of whether they are primarily engaged in policy advocacy as think tanks or service delivery as subcontractors although most do both in varying proportions. Major INGOs have become increasingly engaged with international agencies in the UN and IFI nexuses in terms of both advocacy and subcontracting (Nelson 1995 and 2002). And such legal arrangements are matched by illegal transnational networks amongst mafias, militias, private armies etc (Cox 1999; Mittelman 2000).

'Global civil society' is very heterogeneous (Anheier, Glasius and Kaldor 2001; Glasius, Kaldor and Anheier 2002) with global social movements coming to play increasingly salient yet quite incompatible roles. On the one hand, many contemporary INGOs have been the sources of new global issues, such as ecology, genetic engineering, gender, global warming, international criminal court, landmines, ozone-depletion, small arms etc (Van Rooy 2001) and now blood diamonds (Smillie, Gberie and Hazelton 2000). These have led to major global coalitions such as the International Campaign to Ban Landmines (ICBL) which resulted in the Ottawa Process (Hubert 2000, Tomlin 1998), now replicated in the Kimberley Process. But they have also advanced anti-globalisation sentiments as reflected in the battle of Seattle against the MAI and subsequent alternative summits and counter-demonstrations at major global and regional summits (Klein 2000; Van Rooy 2001).

In turn, major global corporations increasingly seek to insulate themselves from popular pressures/boycotts through a variety of strategies: from association with the UN Global Compact to corporate codes of conduct, ethical as well as fair trade initiatives, strategic alliances with certain IOs or NGOs etc. Thus many of the MNCs which feature in Naomi Klein's *No Logo* (2000) in terms of being targets of anti-corporate campaigns, e.g. McDonald's, Nestle, Nike, Shell etc, are most active in the UN Global Compact (Parpart and Shaw 2002).

One novel aspect of South-North trade in the new global political economy is supply chains which link local producers to global markets in novel ways in a variety of sectors, including new horticultures etc, in a form of partnership (Bendell 2000; Murphy and Bendell 1997). Typically these link producers of fresh flowers, fruits and vegetables to major supermarket chains and use IT for communication and airfreight/containers for transportation (Ponte and Gibbon 2003). These in turn are open to pressure from advocacy groups over ecology, gender, labour etc, leading to Ethical Trade Initiatives and Extractive Industries Transparency Initiative (EITI) as well as Fair Trade, conditionalities over gender, housing and labour

practices etc, as is apparent in thumb-print sketches of sources of specialised coffee beans in Aroma, Costa, Second Cup, Starbucks: 'chain governance'.

There is a growing revisionist debate about whether the three corners of the governance triangle are really separate or are rather different points along a continuum. Certainly, there is continuous communication and interaction along the three sides of the triangle, yet there is also some autonomy at particular times in particular instances over particular issues. In short, notwithstanding the continual possibility of co-optation, many actors at all levels in the governance nexus do maintain a degree of independence, as increasingly demanded by their stakeholders. Thus, the state is not entirely diminished: in some sectors, at certain times, under specific regimes and conditions, it can be 'strong', albeit in association with other state and non-state actors.

Continental

According to Mkandawire (2001: 310), 'The first few examples of developmental states were authoritarian. The new ones will have to be democratic, and it is encouraging that the two most cited examples of such 'democratic developmental states' are both African – Botswana and Mauritius' (Mkandawire 2001: 310). Inter- and non-state relations in Africa are changing at the turn of the century (Khadiagala and Lyons 2001) because of globalisation/neo-liberalism extra-continentially but also because of new threats/leaders intra-continentially, now advocated in terms of an African Renaissance, from the African Union and African Economic Community to the New African Initiative (NAI) and the New Partnership for Africa's Development (NEPAD). These have resonance within the G8 community Africa Action Plan, reinforced by bilateral Blair and Chretien initiatives for the continent. These may inform and legitimise regional peace-keeping responses to resilient regional conflicts and they might even facilitate, perhaps unintentionally, non-state definitions of 'new' regionalisms such as ecology, ethnicity, brands, religions, sports etc (Parpart and Shaw 2002). These may extend legitimacy to new African developmental states and their related NEPAD ideology (Taylor and Nel 2001).

Coinciding with such promising developments are moves away from orthodox structural adjustment programmes (SAPs) and conditionalities towards poverty-reduction programmes. SAPs were widely criticised as being onerous and ineffective. Given the pressures on the IFIs, as well as the sequence of Asian, Russian and Argentinean crises, the IFIs have moved towards special programmes for Heavily Indebted Poor Countries (HIPC I and II). To qualify, African regimes had to meet SAP terms and design acceptable poverty reduction strategies in association with civil society.

In the case of Uganda, one of the few currently successful HIPC cases, in the late-1990s the Uganda Debt Network (UDN) acted as an intermediary between the state and private sector on the one hand and civil society on the other at both design and implementation stages, moving from policy advocates to policy agents

or subcontractors, achieving the status of an authoritative epistemic community (Callaghy 2002). As UNCTAD (2000: 148) indicated on the Uganda case, the latter's Poverty Eradication Action Plan (PEAP) was founded on four pillars:

- i) creating a framework for economic growth and transformation;
- ii) ensuring good governance and security;
- iii) directly increasing the ability of the poor to raise their income; and
- iv) directly increasing the quality of life of the poor.

Thus Uganda is something of a model in terms of designing a Policy Framework Paper (PFP) and then maintaining momentum through Poverty Reduction Strategy Papers (PRSPs) in collaboration with a wide network of ministries, international organisations and NGOs, both local and global. According to UNCTAD (2000: 143):

The PRSP is intended to be a country-owned document prepared through a participatory process which elicits the involvement of civil society, other national stakeholders and elected institutions. 'Ownership' in this context refers to the Government's taking the lead in the preparation of PRSP, including the animation of the participatory process (which is expected to increase public accountability) and the drafting of the action plan.

Such a poverty reduction network constitutes an example of partnership for rural development as advocated by IFAD in its *Rural Poverty Report 2001: The Challenge of Ending Rural Poverty*: a mix of state-NGO-private sector governance facilitated by decentralisation.

Similarly, given its recent espousal of 'human security', countries like Canada commit more resources to the continent than national interest alone would justify, in part because of notions of human security and in part given concerned diasporas. As Chris Brown (2001: 194) suggested, at the turn of the century:

As a continent where human security is manifestly at risk, Africa came to figure more prominently in Canada's foreign policy during 2000 than a narrow examination of national interests might suggest.

National

Patterns of governance in Africa, increasingly inseparable from the notion of a democratic developmental state, are in flux at all levels: local to continental, and all sectors, from state and corporate to non-governmental organisations (NGOs); i.e. the three corners of the governance triangle. Contemporary notions of governance have a variety of conceptual, ideological, institutional, political and theoretical sources and correlates (Jenkins 2002; Quadir, MacLean and Shaw 2001). Governance on the African continent, as with others, varies over time and between regions (Reinikka and Collier 2001; Shaw and Nyang'oro 2000). And it reveals similarities and dissimilarities with other continents. As elsewhere, notions of

comparative politics/development have evolved profoundly over the last decade as the mix of globalisations and liberalisations have impacted in cumulative ways. The focus on the state has been superseded by a recognition of diverse and changeable patterns of governance reflected in concepts like public-private partnerships, networks, coalitions etc (Fowler 2002; Mbabazi, MacLean and Shaw 2002).

The debate continues over whether globalisation does offer some opportunities for some African states, civil societies and companies at all levels, with the more optimistic liberals insisting that it does, despite all the negative evidence and press over the last two decades (Makhan 2002; Nsouli and Le Gall 2001; Reinikka and Collier 2001) Nevertheless, if SAPs generated much scepticism, even defeatism on the continent, then their *de facto* successor, offering a distinctive form of globalisation, negotiated debt relief for Heavily Indebted Poor Countries (HIPC) (Anena 2001; Gariyo 2001), is leading to a novel form of governance. As Callaghy (2001: 138 and 142) suggests:

All HIPC debt relief is now to be tied directly to poverty reduction. This is to be ensured by the creation of Poverty Reduction Strategy Papers (PRSPs) put together by debtor countries in consultation with civil society groups...If seriously implemented, this new process could be an important change in international governance on debt, aid and development more generally and may have major implications for the unfolding of democratization processes in Africa and elsewhere.

The UDN continued to grow and increase its capabilities. By 2000 it had more than sixty members as well as strong ties to the Uganda Joint Christian Council and business, student and labour organizations...it was becoming very active in coordinating civil society participation in the PRSP process, which it was doing with the help of Northern NGOs. Lastly, it had improved its own organizational capabilities and was running its own independent website.

'HIPC governance' by definition involves the state negotiating Poverty Reduction Strategy Programmes with a range of non-state actors at local to global levels, in the Uganda case facilitated by the Uganda Debt Network, itself a heterogeneous coalition of (I)NGOs, think tanks, religious groups etc. In the process of so negotiating and facilitating HIPC governance, the UDN has itself been somewhat transformed not only in status, but also in practice: not just advocacy but also delivery, raising issues about co-optation etc (Nelson 1995 and 2002). And certainly, redevelopment has not been evenly distributed across Uganda: the north (61 percent support for multiparty politics) remains more impoverished and alienated than the south (39 percent support for multiparty politics in the West) as reflected in opinion polls, as well as support for opposition parties and guerrilla movements (*Sunday Monitor* Kampala, 3 February 2002). Conversely, Museveni gets most

support for his handling of the political debate from the West (52 percent) and least from the North (30 percent). In short, there are profound limits to 'democracy' even in today's Uganda, yet these may be increasingly excused in relation to developmental success, i.e. the trade-off between economic and political liberalisations.

Further, given the influential role which the donors play in today's Uganda, there may be a danger in them tending to divide NGOs into delivery or advocacy types as both varieties are needed to make governance more efficacious and accountable (Lister and Nyamugasira 2003). Moreover, there may also be a danger in privileging civil society overly to the detriment of formal, multi-party politics: civil society, especially when legitimated or reinforced by global donors/media, can effectively squeeze out other democratic processes like elections.

The distinctively Ugandan debate about Movement versus multiparty politics is not separable from the parallel discourse about occasional formal elections versus continuous civil society activity/advocacy. As John Makumbe (1998: 305) suggests: 'For most of Africa, ...civil society would include trade unions; professional associations; church and para-church organizations; resident, student, business and other special interest associations; the media; and various types of NGOs'.

Whilst he recognises the weakness of contemporary civil society in much of the continent, including its tenuous democratic features, Makumbe (1998: 317) concludes that with extra-continental support it can continue to develop:

The resurgence of civic protest in virtually all sub-Saharan African countries since the late-1980s has resulted, inter alia, in the transformation of the continent's governance and political systems, with civic groups in most of these countries demanding that their governments be democratic, transparent and accountable to the people. Although much has already been achieved, much also remains to be done if Africa is to have an effective and vibrant civil society.

Similarly, extra-continental actors are also increasingly concerned about the continent in part because of a variety of non-state connections, from diasporas/refugees to biodiversity, conflicts, drugs and guns, sustainability; hence the debates in Canada at the turn of the millennium about Angola, Congo, Sierra Leone, Sudan etc involving civil societies, communities, companies, media etc as well as the government (Brown 2001; Van Rooy 2001).

Local

Finally, given decentralisation and urbanisation, the local level of governance—city and community—is of growing importance for human development/security and reveals similar patterns of partnership to the other levels; i.e. increasing roles of non-state actors in terms of service delivery etc. As we will see in the case of

Mbarara municipality and county, subcontracting to local companies for education or to local NGOs for AIDS hospices etc has become commonplace. Over the last decade there has been +/-10 percent growth in Western Uganda, albeit from a very weak base post-Amin/Obote II regimes. This has advanced both human development and human security. The former is defined by the UNDP (1994: 13) as expanding human capabilities and choices whilst minimising vulnerabilities, and the latter (UNDP 1994: 24) as 'freedom from fear and freedom from want': human security is not a concern with weapons – it is a concern with human life and dignity' (UNDP 1994: 22).

This chapter draws, then, from a variety of interrelated disciplines and debates: from political science/economy and international relations to African, development and security studies, to which I return at the end. It seeks to juxtapose generic concepts like 'civil society' and 'governance' with cases drawn from Africa. While it concentrates on the Great Lakes Region (GLR), it reflects analyses and debates from Sub-Saharan Africa as a whole (Villalon and Huxtable 1998). In particular, I juxtapose notions drawn from the overlapping HIPC, African developmental state and NEPAD genres. I also bring in notions of human development/security given their salience in the contemporary continent (Hampson, Hillmer and Molot 2001; UNDP 1994 and 1999). And I particularly reflect on peace-building and reconstruction in today's Uganda: the roles of NGOs and think tanks.

Civil society and the state in contemporary Africa: Beyond liberalisation

At the start of the twenty-first century, NGOs are engaged in service delivery and/or policy advocacy from local to global levels (Clark 2002; Desai 2002; Nelson 2002) leading to partnerships of multiple types (Fowler 2002) which impact the state, whether it seeks such links or not: 'NGOs create alliances and networks to place pressure on the state' (Desai 2002: 497).

One side of the governance triangle—that between the state and civil society—is focused on democratisation or political liberalisation. By contrast, the other side—that between the state and the private sector—is preoccupied with economic liberalisation or privatisation. How compatible are these two forms of liberalisation? Furthermore, both impact the bottom, horizontal axis of the triangle, that between the two non-state elements: i.e. civil society and private companies. In short, there appears to be something of a stand-off (contradiction?) between global competitiveness and a democratic deficit: which is primary for local and global interests/institutions?

In such a fluid context, the roles of think tanks as well as NGOs (e.g. the spectrum in Uganda from Private Sector Foundation and Economic Policy Research Centre (see more below) to Centre for Basic Research (CBR) and UDN versus old, established research institutions like the Makerere Institute for Social

Research (MISR) at Makerere, are in flux, as indicated in the broad-based coalition supporting the PRSP process (UNCTAD 2000).

HIV/AIDS has also led to innovative civil society-state/corporate relations in Uganda as elsewhere on the continent. NGOs have been active in financing hospices for the dying, prevention campaigns, orphanages for children without parents etc; and MNCs are increasingly active in terms of infected workers. The stand-off between civil society and the state over HIV/AIDS in South Africa is not replicated in Uganda as the Museveni regime has been in the vanguard of straightforward communication/education (Barnett and Whiteside 2002), leading to the regional Great Lakes Initiative for AIDS.

Civil society and the economy in contemporary Africa: Beyond privatisation

'African capitalism' in contemporary Uganda is quite distinctive and different from that elsewhere. It includes not only traditional and contemporary ex-colonial commodities and supply chains but also informal (and illegal?) and formal regional exchanges. It thus now includes fruit, horticultural and vegetable exports as well as coffee and tea; and to the region it includes electricity, Coca Cola, Mukwano soap products, UHT milk etc. And in addition to serving as an entrepot for Central African resources, it also serves as a conduit for informal coltan, diamonds and gold out, and guns and other basic needs in. The mix of legal and illegal is problematic and controversial, with the UN contributing to the debates. But clearly, the Ugandan economy as a whole has gained from the Congolese conflict/expeditionary force.

In addition, the termination of apartheid has enabled South African capital, franchises, links, technologies etc to enter Uganda, so competing with local (African and Asian), British/European and Asian capitals: Century Bottlers' Coca Cola franchise, MTN cell-phones, MNet cable and satellite TV, Nandos and Steer fastfood franchises, Woolworths upmarket shopping (two branches in the 'new' Kampala), Shoprite Checkers supermarkets and Metro Cash-and Carry wholesaling, South African Breweries etc.

Such alternatives lead towards new opportunities and to new regionalisms: beyond established inter-state East African Community (EAC), now augmented by the East African Legislature and onto new security provisions, and Great Lakes Region (GLR) to flexible non-state forms of regionalisms defined by ecologies, ethnicities, infrastructures, technologies etc.

Governance in contemporary Uganda: Beyond peace-building to human development/security?

According to Ajulu (2001) 'For Uganda, the future looks too ghastly to contemplate. The elections have not only confirmed the traditional divide between the south and the north but, more critically, opened another internal divide within

the NRM. These are very sensitive issues which will require delicate handling if Uganda is to avoid a return to the lawlessness of the 1970s and 1980s. The wild card in this whole question remains the generals returning from the DRC'.

Human development/security at the turn of the millennium in a small 'fourth world' state like Uganda at the periphery is a function of the balance between the local/national and the global/regional (Shaw 1999). And at all levels, governance is dynamic rather than static: the balance among state, economy and civil society varies between levels and over time. Uganda has made a remarkable comeback in the last 15 years in terms of basic human development/security, at least for most of its regions (Baker 2001, UNDP 1998). But the sustainability of such an African renaissance is problematic unless a judicious balance is maintained among patterns of governance at all levels. In particular, the notion of national development is problematic when the gap between, say, Kitgum to Kabale is rather wide (Baker 2001; UNDP 2000) as indicated in the continued tensions and violence (Erhart and Ayoo 2000; UNDP 2000)

Local governance offers a variety of advantages over centralised government but accountability, transparency etc need to be continually demanded/monitored: onto democratic decentralisation? And governance at the local level may require a continually changing mix of state and non-state resources and relationships (Kasfir 1998 and 2000) as work on Mbarara suggests (Mbabazi and Shaw 2000; Mbabazi, MacLean and Shaw 2002).

Lessons from/for governance in Africa at the start of the twenty-first century

The official, optimistic scenario emerging from Uganda in the early twenty-first century in terms of African or HIPC governance is that of a continuous negotiation among corporations, NGOs/networks, state and partnerships involving new capital/franchises/technologies and commodity/supply chains etc. By contrast, the critical, pessimistic preview suggests arbitrary decision-making, exponential corruption, state violence etc, as reflected in growing concerns regarding accountability, transparency etc (Lewis and Wallace 2000). Nevertheless, given Uganda's comeback in the 1990s, are there lessons to be learned for local to global decision-makers?

Here, I look briefly into possible lessons for established disciplines such as political science, international relations and political economy as well as for interdisciplinary fields such as African/Development/Security Studies. In terms of orthodox cannons, case studies like contemporary Uganda suggest the imperative of going beyond the state and formal economy and examining myriad links between these and the non-state/-formal: real triangular forms of mixed actor governance. And in terms of more recent interdisciplinary perspectives, there is a need to reflect on new issues/relations around developing countries and communities, so questions of traditional and 'new' security cannot be separated

from the GLR etc. Indeed, Uganda in the 21st century as in the 19th and 20th centuries suggests the imperative of situating external challenges and opportunities in the context of state-society relations: what we now know as globalisation. The place of new, poor, small, weak states in a globalising, let alone turbulent, world is crucial for analysts and citizens alike.

As Callaghy (2001: 144) concludes in his suggestive study of 'HIPC governance' in Uganda, somewhat parallel to the continent's centrality in anti-landmine and blood diamond coalitions:

Africa has been central to the evolution of the international regime on public debt, although not its primary driving force. New actors and processes have been unleashed in response to Africa's plight that might significantly alter the way the larger development regime functions. In the long run, the most significant changes may well not be HIPC itself, but rather the new processes and transboundary formations that it helped to unleash.

In short, discussions of Uganda as a developmental state are enriched by considerations of actors and issues usually outside the ambit of orthodox analysis. Only by doing so can the full richness of Uganda's governance strategies and structures be understood and can grounded analysis of the country's experiences be appreciated. This is not to say that the state is irrelevant; far from it. But work that brings in 'alternative' perspectives on the notion of a nation in a process/processes of development adds to our understanding of the diverse forms that a developmental state in Africa can take.