# TRADE LIBERALIZATION AND WOMEN'S LIVELIHOOD ADAPTATION IN KAMPALA - UGANDA

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## **DEDICATION**

This thesis is dedicated with love to the memory of My mother, Rabia Abayyi Saminu 1949 - 2004

While the work for this thesis was being completed, my mother passed away.

I will always be thankful for my mother's encouragement and unconditional love.

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## **Table of contents**

Acknowl	edgement	2
	TION	
Table of	contents	4
	IS	
CHAPTE	ER 1. INTRODUCTION	7
1.1.	Objectives	
1.2.	BACKGROUND TO THE STUDY	
CHAPTE		
2.1.	Introduction	
2.2.	Area of Study	
2.3.	Study Population	
2.4.	Data Analysis	
2.5.	Limitations to the Study	
CHAPTE		
3.1.	Introduction	
3.2.	Theoretical underpinnings of Liberalization	
3.3.	Evolution of Liberalization Process in Uganda	
3.4.	Uganda's trade policy and investment status	
3.5.	Liberalization and Women in the Global development process	
3.6.	Women in Uganda's economy	.27
CHAPTE		
ACTIVIT		
4.1.	Women in export and import sector	
4.2.	Women and government support in the import and export sector	
4.3.	The Concept and the Importance of Informal Economy in Uganda	
4.3.1		
4.4.	Liberalization and the Expansion of the Informal Sector in Uganda	.46
4.5.	Women's Livelihoods in the Urban Informal Sector in Kampala: Street Vendors,	
	hift Restaurants, and Marketplaces	
4.5.		
4.5.2		
4.5.3	$\mathcal{E}$	
4.5.4		.61
4.5.3		
4.5.6		.69
4.6.	The role of government of Uganda: the Ministry of Gender, Labour and Social	
	opment	
4.7.	Conclusion	
CHAPTE		
5.1.	Theory and practice	
5.2.	Recommendation	
APPEND		
Bibliogra	ıphy	.94

#### **Acronyms**

WTO: World Trade Organization

WB: World Bank

IMF: International Monetary Fund

NTAEs: Non-Traditional Agricultural Exports

GDP: Gross Domestic Product

UNDP: United Nations Development Program

UWEAL: Uganda Women Entrepreneurs Association Limited

OECD: Organisation for Economic Co-operation and Development

ERP: Economic Recovery Program

SACs: Structural Adjustment Credits

ESAF: Enhanced Structural Adjustment Facility

SAPs: Structural Adjustment Programmes

EAC: East African Community

COMESA: Common Market for Eastern and Southern Africa

AGOA: African Growth Opportunity Act

EU: European Union

UIA: Uganda Investment Authority

UNCCI: Uganda National Chamber of Commerce and Industry

UN: United Nations

GNP: Gross National Product

ERS: Export Refinance Scheme

ERF: Export Promotion Fund

ILO: International Labour Organization

MGLSD: Ministry of Gender, Labour and Social Development

ACFODE: Action for Development

NRA: National Resistance Army

NGOs: Non-Governmental Organizations

UMA: Uganda Manufacturers Association

## **CHAPTER 1. INTRODUCTION**

## 1.1. Objectives

The main objective of this study is to explicate or explore the relationship between the process of trade liberalization and Ugandan women in the informal sector. In examining this relationship, I will employ the following questions as tools of analysis: What is the effect of the process of trade liberalization on their livelihood? What are the opportunities or benefits that are available for them? Does the process of trade liberalization affect them negatively or positively? Is there any initiative on the part of the government that can improve their conditions of life?

#### 1.2. BACKGROUND TO THE STUDY

The end of the cold war between USSR (communism) in the East and USA (capitalism) terminated an era of ideological rivalry between the two superpowers but with USA emerging as the only unchallenged superpower. Since 1992 then, the USA took it upon itself to provide a coherent vision of the new world order. The new world order was conceived around the ideas associated with the world picture of 'neo-liberalism.' This ideological outlook has often been referred to as 'the Washington consensus', which according to Richard Falk highlighted the 'made in USA' packaging of the neo-liberal scheme of things. This neo-liberal scheme points in the general direction of autonomous markets and facilitative states. Supporters of these ideas believe that they were responsible for promoting rapid economic growth in trade and investment. Given this perspective, the USA and her allies put pressure upon governments of several developing countries to prioritize and co-ordinate policies that involve such moves as "liberalization, privatization, minimizing economic regulation, rolling back welfare, reducing expenditures on public goods, tightening fiscal discipline, favouring free flows of capital, strict controls on organized labour, tax reductions, and unrestricted currency repatriation."

<sup>&</sup>lt;sup>1</sup> Richard Falk, *Predatory Globalisation*. Cambridge: Polity Press, 1999, p. 12.

<sup>&</sup>lt;sup>2</sup> Ibid. p.1

<sup>&</sup>lt;sup>3</sup> Ibid

<sup>4</sup> ibid. p.2

Apparently, developing countries especially in Africa and Asia have been urged to pursue trade policies geared toward liberalization of their economies. Under the auspices of International Monetary Fund (IMF), World Bank (WB), and other international aid agencies, the process of trade liberalization in almost all developing countries have been initiated and implemented. Whether these will lead to development of these countries is yet to be realised. Given the marginalization, subordination and oppression women face in almost all societies, the implementation of trade liberalization is likely to affect women in a unique way from men. Additionally, the differences in the role women and men play determine the differences in the vulnerability each may face due to trade liberalization.

Women's reproductive and productive roles make them invaluable to the economy and to the process of trade liberalization in particular. Their gender determines the different life experiences they face in their lifetime, and perhaps it is the single most important factor in shaping who they become. It may determine their access to education, work, corridors of power and acts as freedom of movement. In addition, their ability to make decisions and act autonomously could be determined by their gender. Women, hence, are affected directly by international trade, as they are involved as suppliers and consumers in cross border trade. They are also specifically affected as they offer their labour to the big multinational corporations. Trade liberalization, therefore, has far-reaching consequences for women.

This study focuses on Uganda because Uganda is one of the many countries in sub-Saharan Africa that has implemented the policy of trade liberalization. Uganda, just like many other sub-Saharan African countries, faces many economic challenges. Its trade balance, for instance, remains highly vulnerable to fluctuation in world commodity prices. Traditional export crops (cotton, coffee, tea, sugar and tobacco) have not recovered from their collapse in the 1970s and 1980s, although trade diversification has occurred in agriculture, with a significant rise in non-traditional agricultural exports (NTAEs).

Within the agriculture production, women account for most of the labour force involved in the production of all three categories of agricultural out-put: food for consumption (80% of the total labour forces), traditional exports (60%) and NTAES (80%). There are important gender differences in labour markets. Women's wages are, on average, 40% below those of men and as much as half of this gap is estimated to be due to direct discrimination (Appleton et al.). Gender inequalities within the household appear to be strong in Uganda. Intra-household

expenditure appears to favour men and boys over girls and women (UNDP). In many areas, there are differences in the welfare status of female and male-headed households and between males and females in the same family. Therefore, the increased involvement of women in NTAEs, is hoped, may contribute to reducing these gender inequalities.

### **CHAPTER 2. RESEARCH METHODOLOGY**

#### 2.1. Introduction

In this chapter, I will point out the nature of the research, area of study, population, and size, research tools and procedure used in data collection, management and analysis as well as the scope of data collection and limitation faced by the researcher.

## 2.2. Area of Study

The study was conducted in Kampala, the capital city of Uganda. Kampala is located in the central region of the country, that is, Buganda region. The following reasons occasioned the selection of Kampala for this study;

- ➤ The city has experienced a steady and fast growth as a result of being a crucial beneficiary of several policies. It has low-income populations with women being involved quite actively in petty trade in small and medium income economic enterprises.
- The city is strategically located given its central position in Uganda as the commercial and administrative capital. Here, all ethnic compositions of Uganda are appropriately represented. In fact there is evidence that liberalisation has had a remarkable effect on the city's economy since the coming of the current regime in 1986.
- ➤ It is almost the only city in the country where virtually every foreign private investor wishes to start up his/her business or enterprise. All the banks, foreign exchange bureau, among other private enterprises are located.

## 2.3. Study Population

Although the process of liberalization has, undeniably, affected every one in the country, particular attention was, purposively, put on women informal traders who included market vendors selling newspapers, cigarettes, and other petty items along the streets of Kampala. Other women traders included those who sell second hand clothes, and food items. The other categories of people that were targeted were those who were in non-governmental

organizations (NGOs, hereafter) dealing with women entrepreneurs, that is, Uganda Women Entrepreneurs Association Limited (UWEAL), as well as government institutions including the Ministry of Gender, Labour and Social Development, Export Promotion Board, and the National Chamber of Commerce, among others. The latter were selected because they are involved in ensuring an enabling environment for traders as well as policy making within the context of liberalization of the economy. The composition of the sample institutions and population of the study include:

- 1. The Uganda Women's Entrepreneurs Association Limited, (this is a Non-Governmental Organization dealing with women traders in the county), and I interviewed the chairperson who was a female.
- 2. The Ministry of Gender, Labour and Social Development, and I interviewed the Assistant Commissioner for Gender and Community Development.
- 3. The Uganda National Chamber of Commerce and Industry, and I interviewed the Acting Head of Trade and Investment Department.
- 4. The Uganda Export Promotion Board and I interviewed the Director, who was a female. In addition, attempts were made to conduct research in other NGOs but unfortunately, it proved problematic since some of the informants were not available at the time of the interview. Hence, out of six group target group in this category I managed to interview only four of them, three female and one male. For further information see table 2.

## 2.4. Data Analysis

The data was grouped and analysed under particular themes addressing the objectives of the study. Ideas were expanded to cater for other ideas expressed by the respondents. The analysis included ideas, experiences and viewpoints expressed by the respondents.

## 2.5. Limitations to the Study

Doing research in a foreign country, usually presents one with several difficulties. On my part, the following were some of the challenges I encountered right from the very inception of the research. Some were solved and others were minimised.

The first problem I encountered was that of language. Uganda is a country with several ethnic groups each speaking its own language. Particularly, the city in which I conducted my study is a confluence of different ethnic groups but each speaking its own mother tongue. Getting my key informants required some careful thought. Because my respondents were informal business women operating in the streets and the busy markets of the city, where almost all the various ethnic groups did their vending. Nevertheless, I managed to take on two informants who helped me with translation and taking me to all the institutions and informal traders, where the research was to be conducted. Apart from my respondents in the Nongovernment Organization, where the interview was conducted in English, the common language was Luganda of which my informants knew very well. Even where the respondents were from different ethnic groups at least many of them knew Luganda.

During the data collection, most of the women informal trader respondents were resisting my request to have some interview with them, a challenge that my respondents helped to grapple with. When I explained the purpose of doing my research to them, many of them finally accepted to have the interview. The reason why some of them were refusing to hold the interview was they thought as if we were either journalists or city council officials. Afterwards, they informed me that usually the journalists write against them, since most of the women informal traders operate without licence. On the other hand, the city council officials confiscate their items since the majority of them operate illegally.

Furthermore, contact with some NGOs was problematic especially, when some of the official respondents were unavailable, and actually I was obliged to abandon because of their unwillingness or absence. With others where I succeeded, I had to make several appointments and make adjustment according to their time. The other limitation was the lack of a tape recorder to take note of the conversation with the respondents. However, my informant had to help me with writing down the information. This somewhat delayed my interviews to the extent that in a day I could have only interviewed around five people. This happened especially when the majority of the respondents hardly knew English. Among the respondents who knew English, the interview was easy with the help of my informants I could be able to write down the information.

## **CHAPTER 3. LIBERALIZATION AND UGANDA'S ECONOMY**

#### 3.1. Introduction

In this chapter, I will attempt to discuss the theoretical developments of liberalization and its spread in other parts of the world, especially the developing countries. Specifically, the chapter will focus on liberalization process in Uganda. The chapter will also examine the importance of women in Uganda's economy by first examining their role from a global perspective.

## 3.2. Theoretical underpinnings of Liberalization

The genesis of liberalization is liberal philosophy. Liberal philosophy is grounded in the humanism of liberal political thought. Such humanism privileges the autonomy of the person and views the just society as a system of individual rights that safeguard personal autonomy and allow self-fulfilment<sup>5</sup>. Liberalism wants the state to protect rights and provide equal opportunity, but to interfere as little as possible. It starts from a belief in the rights of the individual as based essentially on the fact of the individual's humanity, but also on the individual's capacity for rationality. This thought system grew out of Western European thinkers like Hobbes, Locke and Bentham in the 17<sup>th</sup> century. As this thought system was becoming influential in the political arena, its ideas too, began to feature in the economic thought of the time as exemplified by economists such as Adam Smith and David Ricardo. Adam Smith for instance, attacked economic protectionism and argued that government should meddle as little as possible in trade and industry. The economy functions best when its freedom is greatest". 8 This is the idea of laissez-faire, which Ricardo too supported. This kind of economic system meant that the individual, rather than the group, class or society is the relevant unit of analysis. Hence, the differences between people in terms of economic status, incomes, and jobs, among others, ultimately reflect differences in their personal choices. In addition, since resources in the world are scarce, economics became a tool to determine how best to allocate these scarce resources and to allow maximum free economic

<sup>&</sup>lt;sup>5</sup> Michael Crotty, *The Foundations of Social Research*. London: SAGE Publications; 1998, 163.

<sup>°</sup> Ibid.

<sup>&</sup>lt;sup>7</sup> Gunnar Skirbekk and Nils Gilje, *A History of Western Thought*. London: Routledge; 2001, p. 249.

<sup>&</sup>lt;sup>8</sup> Ibid.

choice in the market. By allowing less government interference in the market, free actors within the economy, through the forces of demand and supply, are capable of allocating resources to their best satiation/satisfaction. These and similar ideas characterise what is called capitalism. To the extent that "capitalism is a system in which individuals or combinations of individuals compete with each other to accumulate wealth by buying the rights to use land, labour and capital in order to produce goods or services with the intention of selling them in a market at a profit."

The achievements of capitalism have been enormous. The western world boasts of its development due largely to capitalism. Capitalism has been looked at as a growth machine. Saunders argues that capitalism triggered the industrial revolution, and the ever increasing and urgent search for new products and for new technologies that can raise productivity and lower costs, has continued to revolutionize the way that we live. It is in this vein that Saunders recommends that developing countries in order to move out of poverty or modernise like the Western societies, have to embrace capitalism, and related ideas in the political and social spheres.

Although, the Soviet Union and its allies in Eastern Europe and elsewhere had exemplified the possibility of an alternative system of state socialism, capitalism held sway over economic relations at a world level. At present, with the fall of Soviet Union, capitalism remained the dominant international economic system. It is no wonder that whatever definition of development given, it has been seen in its economic and political context which sees development in relation to contemporary global capitalism and the politics of the nation state. <sup>12</sup> Nevertheless, although one may easily pinpoint on the successes of capitalism, in the real world pure capitalism has not been possible. All economies operating using that ideology are mixed, that is private enterprises/investors operating side by side with government interventions including health, education, and security, among others.

With the triumph of capitalism<sup>13</sup> in the 1990s, it (capitalism) was conceived as the only efficient system of economic organization that should be embraced by every society if they

<sup>13</sup> In this case, when I talk of capitalism, I imply mixed capitalism.

<sup>&</sup>lt;sup>9</sup> Peter Saunders, *Capitalism*. Buckingham: Open University Press; 1995, p. 9

<sup>&</sup>lt;sup>10</sup> ibid. p.10.

<sup>&</sup>lt;sup>11</sup> Ibid.

<sup>&</sup>lt;sup>12</sup> Alan Thomas and David Potter, "Development, Capitalism and the Nation State" in Tim Allen and Alan Thomas (eds.), *Poverty and Development in the 1990s*. Oxford: Open University Press; 1995, p. 124.

wanted to develop and modernise. But in this case capitalism was presented in the new spirit of neo-liberalism as a result of what has been called the **Washington Consensus**. The Washington Consensus were a set of policies which were believed to be the formula for promoting economic growth in Latin America (although not for all countries). It was first presented by John Williamson from the Institute for International Economics in 1989.<sup>14</sup>

The consensus included ten reforms that should be undertaken as of 1989 (these reforms were also summarized by the World Bank in its year 2000 Poverty Report):

- > Fiscal discipline
- A redirection of public expenditure priorities toward fields offering both high economic returns and the potential to improve income distribution, such as primary health care, primary education, and infrastructure
- Tax reform (to lower marginal rates and broaden the tax base)
- ➤ Interest rate liberalization
- > A competitive exchange rate
- > Trade liberalization
- ➤ Liberalization of inflows of foreign direct investment
- > Privatization
- > Deregulation (to abolish barriers to entry and exit)
- ➤ Secure property rights <sup>15</sup>

Although, since the initiation of the consensus some scholars have claimed that it was nothing more other than a set of <u>neoliberal</u><sup>16</sup> policies that have been imposed on hapless countries by

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<sup>&</sup>lt;sup>14</sup> http://en.wikipedia.org/wiki/Washington\_Consensus

<sup>15</sup> ibid.

<sup>&</sup>lt;sup>16</sup> **Neoliberalism** is a political philosophy and a political-economic movement beginning in the 1970s -- and increasingly prominent since 1980 -- that de-emphasizes or rejects government intervention in the economy, focusing instead on achieving progress and even social justice by more free-market methods, especially an emphasis on economic growth, as measured by changes in real gross domestic product. Because of close association between this philosophy and neoclassical economics, and confusion with the overloaded term "liberal", some advocate the term "neoclassical philosophy". In some cases, where liberal parties collapsed or

the Washington-based international financial institutions and have led them to crisis and misery, these beliefs gained adherents in the early 21st century, when Argentina experienced an economic crisis despite following much of the consensus.<sup>17</sup>

The rise of neoliberalism culminated with the Reagan government in the United States and that of Margaret Thatcher in Britain, along with the fall of the Soviet Union and the fading of social democracy and new liberalism as alternatives to unbridled capitalism. 18 These governments not only shifted their own countries' policies toward laissez-faire but used their control of the major Bretton Woods institutions to impose their policies on the rest of the world<sup>19</sup>. So nowadays, neoliberalism is generally seen as synonymous with the "Washington Consensus," the dominant policy view at the International Monetary Fund (IMF), the World Bank, and the U.S. Treasury at the end of the 20th century and the start of the 21st. A major axiom of the neoliberal school is that (to quote Thatcher) "There Is No Alternative" to unbridled capitalism.<sup>20</sup>

Hence, with the approval of the Washington Consensus, the donor countries through the policy proposal of the World Bank and IMF recommended that all third world countries wishing to receive aid have to liberalize their economies. This is due to the fact that prior to

disappeared in the early 20th century, it is simply called "liberalism". But from a purely economic perspective, Neo-liberalism's economic roots begin with the re-establishment of international monetary stability with the Bretton Woods Agreement, which fixed currencies to the US Dollar and the US Dollar to gold. However, as a specific movement it became increasingly prevalent based on the work of Robert Mundell and Arthur Flemming. At about the same time, the Mont Pelerin Society was formed by thinkers such as Friedrich Hayek, Milton Friedman, and Michael Polanyi in response to totalitarian economic and social systems. Mont Pelerin spawned free market think tanks and advocacy groups in the UK and the US during the 1960s and 1970s which drew upon the theories of the Austrian School of economics and monetarism. Neo-liberalism argued that protectionism produced economic inefficiencies, and that developing nations should open their markets to the outside, and focus on exporting. This meant the liquidation of state owned corporations and enterprises, and the reduction in rules designed to hinder trade, as well as lowering tariff barriers. Neo-liberal ideas found expression in a series of trade talks to form the World Trade Organization as well as regional free trade agreements such as the European Union and the North American Free Trade Agreement at http://en.wikipedia.org/wiki/Neoliberal

<sup>&</sup>lt;sup>17</sup> ibid. <sup>18</sup> ibid

<sup>19</sup> ibid

<sup>&</sup>lt;sup>20</sup> ibid

liberalization, African economies had failed to develop despite the aid that was given to them in the 1960s 1970s. The IMF and World Bank and donor countries had given a lot of aid in form of loans to many of countries in developing world. This situation resulted into a debt crisis when almost all the countries failed to pay back the loans. In tracing the origin of the crisis of 1970s and 1980s that led to SAPs, Frances Stewart states that in the late 1970s and early 1980s very large imbalances developed in many countries' balances of payments on current account. In the non-oil developing countries as whole faced a deficit of \$86 billion.<sup>21</sup> Stewart accounts for this crisis in developing countries on the fact that,

At the end of 1970s, a series of adverse developments in the world economy worsened the trade prospects for LDCs. The oil-price rise of 1978-9 not only affected the terms of trade of non-oil developing countries negatively, but also precipitated a slow-down in world economic growth. There was a major recession among the industrialised countries in the early 1980s; although economic recovery followed and has been sustained, on average world in the 1980s was about three quarters of the 1970s rate. Commodity prices were sharply affected by the recession and when growth resumed did not rise as expected. Commodity prices, which had fallen by 1.1 per cent per annum, 1970-9, fell by a further 1.2 per cent per annum 1980-9. Another problem was the rising protectionism among industrialized countries in the 1980s.

Developing countries' trade thus suffered from the combined effects of a slower growth in world trade, deteriorating terms of trade and increasing restrictions on market access. However, it was the deterioration on the capital account, which precipitated and prolonged the crisis.<sup>22</sup>

Faced with deficits that can not be financed on current account, countries were forced to make some adjustments<sup>23</sup>. The number of countries approaching the International Monetary Fund (IMF) for financial support in the 1980s was almost double the number 1970s. The response of IMF was to impose conditions, and finance would be withdrawn if the required conditions were violated in what was considered a significant way. The aim of SAP was to improve loan

<sup>&</sup>lt;sup>21</sup> Fances Stewart, "Can Adjustment Programmes Incorporate the Interests of Women?", in *Women and Adjustment Policies in the Third World*. Haleh Afshar & Carolyne Dennis (eds). London: Macmillan, 1992, p. 14. <sup>22</sup> Ibid, p.14.

<sup>&</sup>lt;sup>23</sup> ibid. p.15

recipients' foreign investment climate by eliminating barriers to capital expansion and international trade.<sup>24</sup> Apparently, over 70 countries have implemented adjustment measures over the last two decades.<sup>25</sup>

### 3.3. Evolution of Liberalization Process in Uganda

Uganda is one of the few countries endowed with some of the finest natural resources in sub-Saharan Africa. By the time of independence in 1962, it was one of the most prosperous countries in the continent with an average economic growth rate of 3% per annum, derived from an agricultural export economy introduced and promoted by the British Colonial Administration (1890-1962). Although the economy was and still continues to be predominantly rural (i.e. 89% of the total population) with heavy dependency on agriculture (i.e. over 50% of GDP and more than 80% of export earnings), its performance and growth were impressive up to 1970 with the country recording an economic growth rate of 5.3% in1960-1970<sup>27</sup>.

However, the military leadership of Amin (1971-1979) and the rapid succession of ineffective regimes (1980-1985) resulted in an economic crisis exemplified by breakdown, deterioration and decay of all dimensions of Uganda society. The economic decline resulting from the political crisis was accelerated by a number of economic occurrences. The first was the partial nationalization (1970) of all major industrial enterprises, companies and banks. The second was the use of restrictive economic policies-price controls and a fixed exchange rate. The third was the technical and managerial vacuum created by the expulsion of Asians (who dominated industrial and commercial activities) and the exile of Ugandans and withdrawal of expatriate personnel who manned and the administrative and professional services, respectively and the fourth was general economic mismanagement<sup>28</sup>.

In an endeavour to explain the background to liberalization policies in Uganda, Frank Mabiriizi observed that import substitution strategies in Uganda and in many other Third World countries in the 1970s and early 1980s resulted in policies of trade protectionism,

<sup>&</sup>lt;sup>24</sup> ibid.

<sup>&</sup>lt;sup>25</sup> Asoka Bandarage, *Women, Population and Global Crisis*. London: Zed Books; 1997, p. 199

<sup>&</sup>lt;sup>26</sup> Jossy R. Bibangambah, Ending the Source of Hunger and Poverty in Uganda; Uganda Debt Network Discussion paper No.4

<sup>&</sup>lt;sup>27</sup> ibid

<sup>&</sup>lt;sup>28</sup> ibid

including import controls, high tariffs and similar measures.<sup>29</sup> Such policies encouraged state control of the economy and favoured inefficient state intervention that had no significant advantage to the economy. Protectionist's policies did not bring about any significant contribution to the economy. In one of the working document, that is, "Uganda's Trade and Investment Status", from the Uganda National Chamber of Commerce and Industry offered to me during my research stated:

"Prior to 1987, Uganda was largely operating an inward looking economic growth strategy. There were no policies to stimulate investments, broaden the tax base in order to increase tax revenues, the productive sectors of the economy were either stagnant or had a growth rates as a result of over 15 years of political crisis that led to the expulsion of the economic merchants (the Asians) and the demise of most human capital."

The expulsion of Asians<sup>30</sup> from Uganda by Idi Amin left the country completely devastated as inexperienced Ugandans took over the management of the industries, factories or companies left behind by the Indians. The political turmoil that followed afterwards especially the ousting of Amin by the Tanzanian government in 1979 further destructed the country's socio-economic and political structures. In 1981, when Milton Obote<sup>31</sup> came to power for the second time, the government made attempts to negotiate with the IMF the strategy to revive the economy through financial assistance.<sup>32</sup> 'The GDP rose thereafter, but industrial production fell even further and by 1984 had sunk below 1970s levels'.<sup>33</sup> The decline in production was followed by inflation that weakened the purchasing power of wage earners, especially in the urban areas.<sup>34</sup> The coup d'ètat in 1985 by an army General Tito Okello<sup>35</sup> led to more economic chaos. The peak of all this chaos was the civil war that brought National Resistance Movement under the leadership of Museveni<sup>36</sup> in 1986. After Museveni

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<sup>&</sup>lt;sup>29</sup> Frank Mabiriizi, the Technical Interface between Decentralized Development Planning and Structural Adjustment in Uganda. Dortmund: SPRING Research Series; 2001, p. 32.

<sup>&</sup>lt;sup>30</sup> The Asians had come to Uganda to work on the construction of the Uganda Railway, and when it was accomplished many of the Asians, especially the Indians, stayed behind to take advantage of economic opportunities at a time when the indigenous Ugandans had little or no education or experience in modern business.

<sup>&</sup>lt;sup>31</sup> He is now in exile in Zambia.

<sup>&</sup>lt;sup>32</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 19.

<sup>&</sup>lt;sup>33</sup> Ibid.

<sup>&</sup>lt;sup>34</sup> ibid.

<sup>&</sup>lt;sup>35</sup> Now deceased.

<sup>&</sup>lt;sup>36</sup> Museveni, since 1986, is now the president of Uganda.

came to power, efforts were made to stabilize the country, in order for the government to embark on the task of reconstructing the country's economic, social and political structures.

In 1987, the new government established the Economic Recovery Program (ERP); the Structural Adjustment Credits (SACs) and the Enhanced Structural Adjustment Facility (ESAF). With the influence of IMF, World Bank and other bilateral doors, these establishments were aimed at rehabilitating the economy and promote growth, to stabilise the economy and reduce inflation, and to minimize the balance of payments crisis.<sup>37</sup> Citing Opio's study report, 'the Impact of Structural Adjustment Program on Poverty and Income Distribution in Uganda', Mabiriizi states that the broad major policy strategies of the structural reform in Uganda focused on the following:

- 1. 'the need to stabilize the economy through the restoration of fiscal and monetary discipline, bearing in mind the demands for considerable resources to restore and rehabilitate the dilapidated infrastructure;
- 2. liberalization of the market system with a view to rationalizing market prices and minimize inflation;
- 3. rationalization of the exchange rate within a system free of exchange restriction;
- 4. minimization of the balance of payments problems;
- 5. privatization and rationalization of the state enterprises;
- 6. downsizing the civil service and the army; and
- 7. the liberalization of interest rates within a structured and more efficient financial system, capable of mobilizing savings and attracting investments thus raising the rate of GDP growth.'38

The implementation of these strategies was followed by cuts in public sector employment, export promotion including non-traditional agriculture exports (NTAEs), and general liberalization.<sup>39</sup> The results of especially the cuts in public sector led to loss of jobs in the

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<sup>&</sup>lt;sup>37</sup> Frank Mabiriizi, *Technical Interface between Decentralized Development Planning and Structural Adjustment in Uganda*. Dortmund: SPRING Research Series; 2001, p. 9.

<sup>&</sup>lt;sup>39</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, pp. 21-22.

formerly government organs, and as the public service was downsized.<sup>40</sup> This meant that families whose breadwinners were working in government institutions that were affected by SAPs had to look for alternatives for daily incomes. 'Men's income became smaller so women went out and earned, but they lacked skills for salaried jobs and in fact the jobs weren't there anyway so they found somewhere to set up a little stall and start selling.'<sup>41</sup>

## 3.4. Uganda's trade policy and investment status

With the implementation of liberalization in the country, the government had to put in place new conducive trade policy to attract private individuals and private companies to invest. At the moment, Uganda's trade policy is still under negotiations, especially by stakeholders including the development partners in a bid to come up with a holistic policy that takes care of National Priority Programme Areas. The areas of utmost significance are the improvements of the incomes of the poor to reduce mass poverty and the improvement of the capacities of the financial and market negotiation of the economic operators as well as facilitators to increase Uganda's market access and competitiveness in the world-trading environment. The policy aims at ensuring that Ugandan traders as well as government can have access to such market initiatives as the East African Community (EAC), COMESA, African Growth Opportunity Act (AGOA), European Union (EU), Canada, Japan and inter Asia.

The government's economic strategy is to modernise the economy through relying on markets and the efforts of the entrepreneurs as the basis for efficient and productive economic activity.<sup>44</sup> Operating within the context of liberalization, the government aims at availing the private sector with the necessary legal policy and physical infrastructure for private investment.<sup>45</sup>

The Investment Code established in 1991 governs investment in Uganda. 46 The code aims at providing conditions that are more favourable for investment. The code re quires foreign investors to have an investment licence before beginning their business operations in

<sup>&</sup>lt;sup>40</sup> Ibid. p.22.

<sup>&</sup>lt;sup>41</sup> ibid

<sup>&</sup>lt;sup>42</sup> Uganda's Trade and Investment Status, Report by Uganda National Chamber of Commercial and Industry ibid

<sup>44</sup> ibid

<sup>45</sup> ibid

<sup>46</sup> ibid

the country.<sup>47</sup> The code is clear about the foreign and indigenous investors. In that, it permits foreign investors in all fields except those, which compromise national security and ownerships of land.<sup>48</sup> On the land issue, foreign investors may lease land for up to 99 years, and can partake of joint ventures involving the outright purchase of agricultural land.<sup>49</sup> In such a situation, nevertheless, Ugandans must hold majority share. Apart from such limitation imposed on investors, Uganda imposes no further limitations on the foreign investors.<sup>50</sup> Foreign investors are granted the latitude to bring in and take out their capital out of Uganda with no restrictions.<sup>51</sup>

As result of the Investment Code of 1991, the Uganda Investment Authority was instituted as an agency charged with investment promotion and marketing of Uganda's investment opportunities to targeted investors throughout the globe.<sup>52</sup> In addition, this agency, that is, UIA is responsible for coordination of the national investment-marketing programs, monitor international flows and serve as the point of contact for investors interested in Uganda.<sup>53</sup>

In order to achieve its objectives the UIA works hand in hand with the Uganda National Chamber of Commerce and Industry (UNCCI). With its multi-sectored membership, nationwide presence, regional and international links to United Nations (UN) and other trade and development oriented institutions and affiliations to World Chambers of Commerce, UNCCI hence qualifies to become a one-stop centre for coordinated business information, which is panacea for trade and investment promotion and facilitation. <sup>54</sup>With these measures, Uganda's economy has relatively responded positively, and Gross National Product (GNP) growth rates have been positive, though with some downward fluctuations over the years. <sup>55</sup> Production has been revived; inflation moderated, and parallel market activities reduced to certain level. <sup>56</sup>

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<sup>&</sup>lt;sup>47</sup> ibid

<sup>&</sup>lt;sup>48</sup> ibid

<sup>&</sup>lt;sup>49</sup> ibid

<sup>&</sup>lt;sup>50</sup> Uganda's Trade and Investment Status, Report by Uganda National Chamber of Commercial and Industry

<sup>51</sup> ibid

<sup>&</sup>lt;sup>52</sup> ibid

<sup>53</sup> ibid

<sup>&</sup>lt;sup>54</sup> ibid

Frank Mabiriizi, Technical Interface between Decentralized Development Planning and Structural Adjustment in Uganda. Dortmund: SPRING Research Series; 2001, p. 13
 ibid.

The Uganda Bureau of Statistics indicated that for the last fifteen years, Uganda has had one of the fastest growing economies in the region, with a growing but sometimes fluctuating GDP for financial years 1998/99 at 7.3%, 1999/00 at 5.6%, 2000/01 at 5.7%, 2001/02 at 6.0% and 2002/03 estimated to have grown by 4.9%<sup>57</sup>. Poverty reduced from 56% in 1992 to 35% in 2000. Since 1986, export and import trade have been improving.<sup>58</sup> Before 2000, exports of traditional cash crops, that is, coffee, cotton, tea, and tobacco, constituted over 60% of the entire earnings annually.<sup>59</sup> But with diversification of the export trade, the proportion of new export items to the total export earnings grew significantly by 47% and 61% in 2000 and 2001 respectively.<sup>60</sup> The new items contributing to increased earnings in the export sectors have been flowers and roses, maize, vanilla, timber, apparels, hides and skins, fish, and electricity. Fish export revenue, for instance, surpassed the other traditional crops ranking second to coffee in 2001, especially after the European Union lifted the ban on Ugandan fish.<sup>61</sup> Currently, exports of goods and services have increased by 5.3% in 2002/03 from the growth of 12.2% in the year 2001/02<sup>62</sup>.

In the import sector, the value of goods has continued to grow at higher rate than export goods. During the year 2002, the value of imports increased to US\$1,073.7 million from US\$1,006.6 million in 2001, with petroleum products taking the highest import value share of 16.2% followed by vehicles and cereals estimated at 9.7% and 6.8% respectively. The high value of imports is attributed to highly valued capital and consumer goods. The African continent remains the main source of Uganda's imports accounting for 40% in 2002 of the total import values, with Kenya in particular taking the largest share. Asian continent in same year accounted for 27.2% while the European continent accounted for 19.7%. In the year 2002/03, the overall imports of goods and services increased by 7.1%.

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<sup>&</sup>lt;sup>57</sup> Uganda Bureau of Statistics: 2003 Statistical Abstracts. Sep. 2003, p. 43.

<sup>&</sup>lt;sup>58</sup> Uganda Poverty Status Report, 2003, p.4.

<sup>&</sup>lt;sup>59</sup> Uganda's Trade and Investment Status, Report by Uganda National Chamber of Commercial and Industry.

<sup>&</sup>lt;sup>60</sup> Ibid.

<sup>&</sup>lt;sup>61</sup> Uganda's Trade and Investment Status, Report by Uganda National Chamber of Commercial and Industry Uganda Bureau of Statistics: 2003 Statistical Abstract, Sep. 2003, p. 47.

<sup>&</sup>lt;sup>63</sup> Uganda Bureau of Statistics: 2003 Statistical Abstract, Sep. 2003, p.51.

<sup>&</sup>lt;sup>64</sup> ibid.

<sup>65</sup> ibid.

<sup>66</sup> ibid.

<sup>&</sup>lt;sup>67</sup> ibid. p. 47.

However, actual consistent growth rates are yet to be realized given that liberalization process has not been fully accomplished.<sup>68</sup> The prevailing civil war in the northern part of the country for now over seventeen years continue to contribute to the failure of programs under liberalization<sup>69</sup>, since millions of dollars that would be spend to speed up liberalization process, and probably compensate those seriously affected as a result of liberalization, has to be spent on the war.

The implication of the trade policy for women has not necessarily favoured them. Given the marginalization of women in the social, economic and political arenas, their benefits from such a policy are not likely to be easily realised. The policy assumes that for whoever is going to exploit the opportunities provided by the policy have adequate capital, education, skills, knowledge, and information for investment. But as has already been hinted upon, this is not usually the case for women. Women in almost all societies around the world have been incapacitated to make achievements in the economic as well as in the political spheres due to the social and gender stereotypes about their sex. To this extent, even when economic opportunities are brought in societies they tend to bypass them, as is further explicated in subsequent section below.

# 3.5. Liberalization and Women in the Global development process

For sometime now, development practitioners, researchers and policy makers have realised how measures to bring about development in the Third World have affected differently men and women. Scholars in the field of development now acknowledge that substantial evidence is available that indicates that women have consistently lost out in the development process. Some of the inequalities between women and men have their basis in the colonial rule. For instance, Snyder states that 'when the colonial era began in the late 19<sup>th</sup> century ...men were singled out for education, paid employment and crop marketing. They thus gained power over women, whose unpaid labour enhanced men's cash income...' Although social relations between men and women, as between other groups, were by no means egalitarian in many pre-

<sup>68</sup> ibid

<sup>&</sup>lt;sup>69</sup> ibid.

<sup>&</sup>lt;sup>70</sup> Ruth Pearson, "Gender Matters in Development", in Tim Allen & Alan Thomas (eds.) *Poverty and Development in the 1990s*. Oxford: Oxford University Press; 1995, p. 291.

<sup>&</sup>lt;sup>71</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom.* Kampala: Fountain Publishers; 2000, p. 17.

colonial settings, there is no doubt that colonial capture and the introduction of exploitative labour regimes led to a marked deterioration in the social and economic status of women relative to that of men. The social and economic status of women relative to that of men. Even after colonialism, the post independent African governments had no specific mechanism of including or recognising women's contribution to the social, political and economic development of their respective governments. One reason, perhaps, for this is the fact that women's labour especially at the homesteads had been rarely valued in economic terms, even though they would contribute their labour to agriculture production. In the contemporary period of global economic liberalization and restructuring, women's labour is preferred for being cheaper over that of men. Thus, with the development of global economy, and the spread of wage labour in agricultural and industrial production, women and men assumed different roles in the economy, which sometimes meant excluding women from wage employment while relying on their unpaid work on the family farms or on low-paid work within the informal sector. Citing the example of coffee production among the Baganda, Snyder argues that while women's labour was spent on growing coffee and dried it home, men got the income from it denying women control over it.

Even after the Second World War when Western Capitalist countries realised the need for Third World to follow the development pattern of the West, the assistance extended to countries that fell with Third World generally bypassed women or sometimes made women worse off.<sup>75</sup> By 1975 when development professionals declared International Women's Year, followed by the Decade for the Advancement of Women 1976-1985, development paradigms had been realised not to benefit women.<sup>76</sup> Despite these initiatives to address women's concerns in development policies and projects, subsequent initiatives continued to be gender blind if not actually biased against women.<sup>77</sup>

By the time liberalization process started to take shape in many of the third world, especially under the package of SAPs, complex gender relations within households, the invisibility of women's work both in the rural and urban sector, women were affected more.<sup>78</sup> Even when many of these countries developed new plans to implement liberalization

<sup>&</sup>lt;sup>72</sup> Ruth Pearson, op. cit. p. 291.

<sup>73</sup> Ibid.

<sup>&</sup>lt;sup>74</sup> Margaret Snyder, op.cit. p.17.

<sup>75</sup> Ruth Pearson, op. cit. p.291.

<sup>&</sup>lt;sup>76</sup> ibid.

<sup>&</sup>lt;sup>77</sup> ibid.

<sup>&</sup>lt;sup>78</sup> ibid.

packages, they implemented them along an 'acceptance' of women's low status and little recognition in the economy. For instance, studies done in some sub-Saharan African countries have indicated how women agricultural producers may grow marketable crops, but because of the gender inequalities, women will often be pressured by their husbands and male kin to work harder in order to produce more cash crops at the expense of household food<sup>79</sup>. Even when after contributing their labour in the production of such items they may not necessarily be compensated by payment for their labour or increased cash income from the sale of the new crops. Thus, besides undervaluing women contribution to agricultural production, policies based on market models ignore women's reproductive/domestic work roles. Most importantly, however, the economic crisis begotten by liberalization (in Uganda just like in many other African governments that implemented the liberalization packages of SAPs), that is, cuts in government subsidies, retrenchment of government employees, privatization of government parastatals, forced many workers to gradually cease their dependence on formal jobs as the primary source of livelihood and to increase their reliance on informal income-generating activities. Since it were the men who were mostly involved in the formal employment, thus breadwinners of their households, changes brought about by liberalizations made children, the elderly, and particularly women important, if not the most important contributors in the informal sector, and related projects.

In the agricultural sector, specifically, emphasis on export crop has displaced women workers in some countries from permanent agricultural employment into seasonal employment. Women subsistence farmers have been adversely affected by the sale of land to large companies, almost all countries where liberalisation has been the trend. This has led to reduced food security and a consequent adverse effect on women's, children's as well as other vulnerable group members' health. The disappearance of small farmers in favour of large of large agricultural business has meant that women are less able to supplement their income by subsistence farming. Technology advancement though is increasing productivity, but women in poor countries are often incapable of finding alternative employment after machines have replaced them, due to training shortages. Mark Curtis in Trade for Life draws an in Indonesia and Bangladesh in that the loss of women's agricultural jobs in these countries has resulted

<sup>&</sup>lt;sup>79</sup> Ruth Pearson, "Gender Matters in Development", in Tim Allen & Alan Thomas (eds.) *Poverty and Development in the 1990s*. Oxford: Oxford University Press; 1995, p. 309.

from the introduction of mechanized mills and post – harvesting processing. <sup>80</sup> In industry, as Curtis further shows from one UN report, "global industrialization is as much female-led as it is export led. This is particularly true in export processing zones (EPZs) and other special economic zones where labour-intensive industries have relocated in search of cheap labour. Women provide up to 80% of the work force in some EPZs, especially in textiles, shoes and toy making, data processing and semi-conductor assembling industries. ... Although globalization has brought much needed employment to the women, inadequate international regulation allows many to be exploited. .... In Thailand between 800,000 and 2 million women have been driven to prostitution in order to supplement incomes. As global economy expands, too many women are left on its margin."

Under such circumstance, women have had to over stretch themselves in order to meet their multiple obligations, including food provisioning of the family, childcare, and health care, among other. Any increment in the price of agricultural production for sale, as well as the reduction of state control of food markets means rising prices for consumers. In case of the urban areas, increased costs of housing, water, school fees and medicines, households can only survive by acquiring several incomes. In other words, economic reforms adopted have perpetuated women's new economic responsibilities through measures that led to increased layoffs and a continuing decline in real wages. These developments have made urban women even more important to economic well-being of the household, much the same way rural women historically had assumed the main responsibility for agricultural production<sup>82</sup>. Thus, the theory of liberalisation although has a lot to say about efficiency, it does not say much about social goals like equality. The market might lead to more efficient use of resources, but they will not necessarily be distributed in ways that are fair. As will be noted in the proceeding chapter, young women as well as old women get in the informal sector as the only survival strategy amidst the global changes of liberalization.

## 3.6. Women in Uganda's economy

Some feminist scholars in Africa argue that ever since patriarchal and class oppression were imposed on African women forms of resistances against such oppression have been developed

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<sup>&</sup>lt;sup>80</sup> Mark Curtis, Trade for Life. Making trade work for the poor people. London: Christian Aid; 2001,

<sup>81</sup> Mark Curtis, Trade for Life. Making trade work for poor people. London: Christian Aid; 2001, p. 17

<sup>&</sup>lt;sup>82</sup> Aili Mari Tripp, "The Impact of Crisis and Economic Reform on Women in Urban Tanzania" in Lourdes Beneria and Shelley Feldman (eds.), *Unequal Burden*. Boulder, Colorado; Westview Press: 1992, p. 159.

by the women.<sup>83</sup> Hence they claim feminism in Africa is not a recent event but a long historical process which has not yet been sufficiently brought to light.<sup>84</sup> What they suggest is to study the historical development of women's resistance in Africa against the oppression of class and of men. To a largest extent this is true especially in countries of West Africa, and some regions in southern parts of Africa. In East Africa there is scanty data on any such resistance. But most importantly, so to say, the history of East Africa and in particular Uganda records no active women's organizations or struggle against social oppression. Most women organizations began around the period when most East African countries were about to get independence, and after. In Uganda it was during the National Resistance Movement (NRM) take over government in 1986 that women's movement became one of the strongest mobilized societal forces. 85 This is becse it is during this period that emphasis was being put on women to actively participate in economic activities as well as education. This situation has created a class of women who are conscious of their economic and social deprivation. The women's movement and other studies made aware to the government that the major activity (agriculture) to the national GNP was made possible by women's labour, besides their participation in other income generating activities, especially in petty business. That is, women farmers contribute 80% of food crops, 60% of traditional farms exports such as coffee, tea, cotton, sugar and tobacco, and an impressive 80% of non-traditional agriculture exports including maize, beans, cereal, vanilla and horticultural products. 86 Hence, their participation, inclusion and support were necessarily if productivity were to be improved in that sector.

Despite these dramatic contributions, it is curious to note that women's activities continue to be undermined in economic terms and production decisions remain to be recognized as men's role.<sup>87</sup> This is evidenced by the fact that priorities in allocation of agricultural extension services indicate clear gender differences. In Uganda, just like in many other sub-Saharan African countries, 'agricultural extension services still do not attach much importance to reaching women farmers or women on farms. Policy makers and administrators

<sup>&</sup>lt;sup>83</sup> Collected works of Akin Mama Wa Afrika, i.e African feminists Theory practice. Kampala 22 Feb. – March 1997, p. 9.

<sup>&</sup>lt;sup>84</sup> Ibid. p. 9.

<sup>&</sup>lt;sup>85</sup> Aili Marie Tripp, Women and Politics in Uganda. Oxford: James Currey, 2000, p. 23.

<sup>&</sup>lt;sup>86</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom.* Kampala: Fountain Publishers; 2000, p. 10.

<sup>&</sup>lt;sup>87</sup> Ibid.

typically still assume that men are the farmers and women play only "supportive role" as farmers' wives.'88

In addition, as Snyder states, when truth is veiled about women's contribution to the economy, even their supplement to the family income is not recognized. The implementation of liberalization process and SAPs in developing countries, in particular Uganda, the myth about women's contribution has been reinforced further. This may be inferred from the fact that although Uganda is developing a trade policy, little does it reflects on gender implications, in particular the impact on women. Hence, although the government has emphasised, in various fora, the contribution of women to the economy, any support given them has been done in isolation of their relations with men. To the extent that the government does not weigh the implications of focusing sometimes exclusively on women without recognizing the differential power relations between women and men in the society. There is no mechanism put in place to counter the reaction from the rest of society, especially the men who are being neglect in the support given by the government. In most cases the result has been that where women participate actively in the informal sector, through support by the government and other micro-financial institution, men have tended to abandon their responsibilities to women or become violent towards them since they own some income. As men abandon their responsibility to women, cuts in government expenditures on public services like health and education have, however, has worsened women growing responsibilities. Women have to stretch out for an extra income. In the urban areas, women are finding it hard to meet expenses on housing, education, water, transport, among others. The possibility for them to secure jobs where literacy is a requirement is very slight.

Furthermore, as Pearson states, '(liberalization) policies which favour deregulation of the market are premised on ideas about getting the prices right. – this is, eliminating what are seen to be distortions in the market.' '89But, as she further argues, 'within a conceptualization of the economy which ignores any analysis of gender, women's time and energy have no price. ...as earnings of other members (men) of the household decline, women extend the range of income-generating activities, seeking new sources in the new activities – hence the

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<sup>&</sup>lt;sup>88</sup> Janice Jiggins, et al, "Improving Women's Access to Extension Services"...?

<sup>&</sup>lt;sup>89</sup> Ruth Pearson, "Gender Matters in Development", in Tim Allen & Alan Thomas (eds.) *Poverty and Development in the 1990s*. Oxford: Oxford University Press; 1995, p. 310.

increase within the urban economy of activities such as petty trading, food vending, prostitution, among others.'

Liberalization has led to the establishment of many private firm/companies by foreign international investors, especially in the areas of communication, banking, forex, manufacturing, and processing of local goods utilising agriculture raw materials. Such private firms have led to an increase in employments especially for the indigenous people, besides boosting the country's Gross National Product (GNP). Although there are a recognizable number of women working in these new firms, their participation has usually been in the lower ranking jobs of such firms. The liberalization of the banking system and other financial institutions do not permit flexible and realistic borrowing by women. The interest usually is high and it is only people with enough assets as security who can access and utilise such financial institutions.

In a nutshell, it should be recognized that women's participation in the economy is great especially in agricultural sector and now increasing in the informal sector but their marginalization still remain great nevertheless. Most economic restructuring programs have not incorporated policies that address the different ways in which these reforms have affected or ought to affect different sectors of society, for example, women, children, and the elderly. Most official statements regarding the reform measures have treated society as an undifferentiated whole. Such oversights not only disregard how polices have differential impact on various sectors of society; they also overlook the effect of policy on economic activities outside the scope of standard statistical data, frequently ignoring some of the most important forms of market and non-market activity<sup>90</sup>. Although several critics have indicated the weaknesses of these policy reforms, there recommendation, too, have frequently not taken into account the different roles played by household members in the struggle to survive. They have accurately portrayed women as vulnerable with regard to health, education, and various social services but overlook these same sectors for their strengths in having been the ones who so often kept their families and societies afloat amidst unprecedented hardships. Because the burden of supporting the family has fallen largely on women, this makes women very

<sup>&</sup>lt;sup>90</sup> Aili Mari Tripp, "The Impact of Crisis and Economic Reform on Women in Urban Tanzania" in Lourdes Beneria and Shelley Feldman (Eds), *Unequal Burden*. Boulder, Colorado: Westview Press; 1992, p. 160

important not only as recipients of social services, but also as potential beneficiaries of credit, training, and technical assistance. Thus, given the women's key role as providers and distributors of resources in the household, support for women is more likely to have an impact on larger numbers of household members.

# CHAPTER 4. THE IMPACT OF LIBERALIZATION ON WOMEN'S BUSINESS ACTIVITY

The main objective in this chapter is to discuss the impacts of trade liberalization on women in Kampala in general. The impacts are based, largely, on the experiences of the women I interviewed for this study. The study examines such impacts in the export and import sectors as well as in the informal sector and the coping mechanisms which women have devised amidst liberalization.

### 4.1. Women in export and import sector

The growth in the Uganda export and import trade has been made possible by diversification in the production of goods and services for export. As already noted (see chapter three), before diversification, Uganda's export goods were dominated by cotton, tea, tobacco and coffee, with coffee being the major export earner. Diversification has enabled the country to recover from previous poor performances before liberalization, and with the current trend of events, Uganda's economic overall growth will continue to grow.

However, the proportion of people with regard to sex participating in the export and import trade, despite liberalization has been uneven. As will be indicated by the findings for this study, women's participation in the export and import trade has been 'insignificant'. Their participation has been more of an indirect one than direct. For instance, when asked about the participation of women in the export trade, the Director, Uganda Export Promotion Board, said:

"The people we deal here with are men, because they are the one in the export sector. Women are virtually not involved because they do not have enough capital. Women only engage in microenterprises, trading in petty items like fish, milk, coffee, etc." (Field data)

Implicit in this response is the notion that, although liberalization has led to growth in the export and import sector, the benefits accruing to women, as a result, are small. Women in Uganda, just like in many other sub-Saharan Africa, have little or no access to capital and other necessary resources to enable them participate in big business ventures, especially in the import and export trade. Lack of capital, among women is not surprising; since as a lot of analyses in the study of gender issues indicate worldwide, women in virtually all society are considered subordinate, hence with little access to resources that would enable them

participate on equal terms with the men. Women's role is still seen to be reproductive and domestic. And yet, the process of liberalization in Uganda, just like in many other developing countries, has been implemented along an acceptance of the general stereotypes that incapacitate women to access capital and other productive resources. In accounting for the plight of women in the Ugandan economy, M. Snyder cites Nakanyike Musisi, a Ugandan historian, to have said that 'women's problems...are compounded by gender disparity that has roots in the unequal access to resources and their distribution'. <sup>91</sup>

Furthermore, having little capital implies that women's capacity to engage in commercial agriculture is limited. From the items listed for export above, it may be realised that almost all of them are agricultural items. That is, coffee, cotton, tobacco, vanilla, flower, etc. This is because most of the soils in Uganda are good for agricultural cultivation, thus dealing in agriculture is cheaper than any other economic activities. Besides, until the colonial era, people in Africa rarely engaged in agriculture for trade. Most of it was for subsistence and largely done by women. Presently, women in Uganda are still highly engaged in agriculture than any other activity. However, their participation is at subsistence/small scale level for both food crops and cash crops. Bibangambah stated that agriculture accounts for over 50% of GDP of Uganda's economy, more than 90% of the total export earnings and 80% of household employment and is characterized by subsistence production and predominantly of small farmers each with less than two hectares of land<sup>92</sup>. With the introduction of cash crops during colonialism, women's labour was supplemented simply as cultivators and not necessarily as owners or controllers of the produces. This is because gender relations among the communities in Uganda still deny women control and ownership of land. Though they may access it through their male kinship and husbands, they may not determine its control in terms of what to grow and what not to cultivate out of their discretion. Even presently, women's enormous labour in agriculture production has been acknowledged but little efforts are underway to ensure that they have control and ownership of some of it. Snyder states that:

'In Uganda, an estimated 90% of women, compared to 53% of men, engage in agriculture – making it by far the most important sector of the national economy. Women's labour produces

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<sup>&</sup>lt;sup>91</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 38.

<sup>&</sup>lt;sup>92</sup> Jossy R. Bibangambah, Ending the Scourge of Hunger and Poverty in Uganda: discussion Paper; Uganda Debt Network.

80% of the country's food, 60% of traditional farm exports, such as coffee, tea, cotton, sugar and tobacco, and an impressive 80% of non-traditional agriculture exports including maize, beans, cereal, vanilla and horticulture products.'93

Similarly, the Uganda National Gender Policy states that 'although women in Uganda constitute 70% to 80% of the agricultural labour force, only 7% own land and only 30% have access to and control over proceeds' 94.

Thus, because they have little or no capital, and have no control and ownership of land, women have not been able to measure up to government's efforts calling for commercial agriculture. A majority of them still remain cultivating at the subsistence level and on small scale. In addition, although women may have access<sup>95</sup> to cultivate land, a majority of them may not have ownership or control over the output. Snyder argues that in many parts of the country, 'men own the land and sons inherit it, leaving women owning only some 7%. Men in most cases also determine the use of their wives' and children's labour, and as landowners they control the products of that labour. Thus men sell the crops, and the women, who do most of the work, have little control over the income.' This kind of situation constrains women's effort to even save some income to expand their capital in order to engage in meaningful agricultural production on a large scale.

In addition, women's productivity in agriculture is further constrained by inadequate access to credit and general lack of skills and appropriate technology due to high level of illiteracy, poverty and inadequate flow of and access to information<sup>97</sup>. 'Few women get loans from the traditional financial institutions because they do not have collateral.'<sup>98</sup> Besides, experiences have shown that many banks in poor economies are unwilling to risk their money to agricultural due to fragility of the agricultural sector in terms of fluctuation of prices in the markets. Where new technology has been introduction in this sector it is usually taken up by the men. according to one respondent in the ministry of Gender, Labour and Social

<sup>&</sup>lt;sup>93</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 123.

<sup>&</sup>lt;sup>94</sup> The National Gender Policy: Ministry of Gender and Community Development, Kampala, 1997, p.1.

<sup>&</sup>lt;sup>95</sup> Access to land by women in this case is gained through their husbands, fathers or brothers who usually are the owner of the land.

<sup>&</sup>lt;sup>96</sup> Margaret Snyder, Op. Cit. Pp. 123-124.

The National Gender Policy: Ministry of Gender and Community Development, Kampala, 1997, p.1
 ibid.

Development, men will participate in agricultural as long as they have all the necessarily equipments of protection when in the garden. The same respondent gave an experience of how a certain project that got funding from an international agency to offer women farmers in a Kapuchorwa<sup>99</sup>, hoes, gumboots and bicycles to help them in their agriculture activities failed. According to the account,

When the women collected these items (i.e. hoes, gumboots and the bicycles), their husbands told them to take them back and instead of the gumboots they had earlier brought for themselves, they should bring one which could fit them (that is, the men). Concerning the bicycles, the men told them to take them back as well, and instead bring one that had a crossbar, and not the women friendly which did have a crossbar. Those who were working on the project at first did not know what was going on until one of the women beneficiary told them why they were returning the gumboots and the bicycles and take others but of different sizes and make, respectively.

Hence, with such gender dynamics that limit women's efforts, it becomes impossible for women to engage in commercial agriculture, and also participate in export trade of agriculture products. Indeed, although the farmers of Uganda are mostly women, in peasant economies, world over, as Snyder states, they are likely to be called farmer's wives. This situation makes women's contribution to agriculture and labour force invisible in the economy. It is not surprising that when carrying out this study almost all the respondents in this category said that very few, women traders engage in significant export trade. Those who seemed to deal in export trade did so through male agents. The export incentives available from government too have not done much to enable women participate in the sector. In order to enhance the performance of the export sector and promote diversification, the government of Uganda implemented the Export Refinance Scheme (ERS) in 1991 and the Export Promotion Fund (ERF) in 1998. The objective here was to ensure that sufficient institutional credit resources are made available to meet genuine credit needs of exporters of non-traditional exports 102.

<sup>&</sup>lt;sup>99</sup> this is one of the districts in eastern part of Uganda.

<sup>&</sup>lt;sup>100</sup> Ibid. P. 123

<sup>&</sup>lt;sup>101</sup> Uganda Poverty Status Report, 2001, p. 15.

<sup>&</sup>lt;sup>102</sup> Uganda Poverty Status Report, 2001, p. 15.

Although the scheme has stimulated demand for credits and encouraged commercial banks to lend to exporters, this has generally benefited the men. Women are unable to access this credit since they lack security, education and information, and above all exportation usually favour people who have information and access to global markets. For instance, the National Gender Policy of Uganda revealed that 'a survey on women's participation in the Rural Farmers Scheme of Uganda Commercial bank (1992) revealed that out of the 27,233 women who applied for assistance as individuals, only 5,117 were assisted; of the women who applied in groups totalling 1,616, only 335 women groups were assisted; and of mixed groups consisting 50% women, the bank assisted only 727 groups out of 2,116 which applied.' Hence, with such limitations women have remained in small-scale business ventures and as agriculturalists, and more especially in the informal sector.

On the other hand, among women who have ownership and control over their own agricultural output, they remain as small-scale producers and only sell off the surplus to intermediaries or those engaged in export trade of the items they cultivate. In assessing the impact of liberalization on women in the export trade, a respondent in Ministry of Gender, Labour and Social Development said: The rural women who are the majority and engaged in agriculture do not engage on the commercial basis, although the government urges them to cultivate for export, i.e. commercial basis. Normally, what they do they sell some products to those traders who are engaged in export trade; but, of course, they are given little money for their produce. (Field data) In addition, where liberalization has led to commercial agriculture whereby foreign investors take up agricultural activities, the impact on women have been negative. To the extent that women who were cultivating similar items that the private investors take on especially on large scale, women find it difficult to compete, hence end up being pushed out of production. Those agriculturists who may decide to continue producing same items, the output is sold to such investors. Other agriculturists who abandon the cultivations are recruited as labourers on these large scale- agricultural plantations established by private foreign investors. In the same vein the Assistant Commissioner for Gender and Community Development in the Ministry of Gender, Labour and Social Development said: With liberalization, many women farmers who are/were engaged in horticulture, tobacco, coffee, etc, cultivation, have been pushed out. The foreign investors with many skills, experiences and networks internationally, take up the cultivation of similar

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<sup>&</sup>lt;sup>103</sup> The National Gender Policy: Ministry of Gender and Community Development, Kampala, 1997, p.1.

produce, and indigenous women end up working on the farms of foreigners simply as labourers. In this process, women's workload increases. (Field data)

Thus, despite the growth liberalization has led to in a country's economy, its potential to limit women's benefits has been also enormous, especially in communities where women are illiterate, lack experience in large-scale commercial agriculture, and whose outlook is local. In Uganda, it is largely the illiterate women or semi-illiterates who engage in agriculture (see table 1, in appendix). Hence, the implementation of liberalization in Uganda has overlooked the fact that a majority of women engaged in agriculture are illiterate, lack experience and skills to compete in a liberalized economy. This makes it impossible for commercial agriculture to take root given the background of the people involved. More so, before liberalization, farmers used to sell their produces to government established marketing boards at a set price, which would then export the produces, especially coffee and cotton. With liberalization, however, government disbanded such boards, and instead farmers have to sell their produce to private intermediaries or companies or individuals engaged in export trade of agricultural produces. This situation has further made farmers vulnerable to exploitation by the intermediaries or companies they have to sell their produce. In most cases, it is the buyer to determine the price at which to get the produce from the farmers. The chairperson of UWEAL for instance said: "Before liberalization, the government was the monopoly over the buying of coffee from farmers and exporting it. Now any one can deal in coffee- as a result many women lose due to poor quality, packaging problems, etc. Fish, for instance, requires international standard-which women cannot afford to meet. Women are always victims of low wages-especially those working in factories, industries, etc." (Field data)

Hence, besides low capital, illiteracy, lack of experience, and gender inequalities, women's engagement in export trade has been stifled by competition. Uganda's investment incentive package favours foreign private investors, which among others include import duty exemptions for plant and machinery, a uniform corporation tax f 30%, the lowest in the East African region, and special initial allowance accelerated depreciation of 50% - 75% on plant and machinery. The package thus enables the investors to out-compete the local investors given the fact that local investors, in particular women have little capital in their business.

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<sup>&</sup>lt;sup>104</sup> Uganda's Trade and Investment Status, Report by Uganda National Chamber of Commercial and Industry.

On the other hand, although women's participation in the export trade is insignificant, some women with relatively enough capital have been able to participate and make some gains in the export trade. In light of this, the chairperson of UWEAL said:

Women with enough capital have been able to gain because relatively taxes to them are low. Very few women are direct exporters, though. ... Women only export such items like art and crafts, mushrooms, vanilla, flowers – this they can afford because they require little capital. Those engaged in cereal trade export in the neighbouring countries regionally but not overseas. Due to the bad effects of liberalization, however, many women have been pushed out of business and many of them are finding their way in supermarkets, factories, farming, because they cannot compete. (Field data)

She further elaborates that,

Due to liberalization, opportunities have opened up like in certain market, sectors, especially for those who have viable capital while for those who do not have cannot take advantage of such opportunities. New technology, for instance, expose the local community to a wider variety of information especially through associations." Similarly, the Assistant Commissioner for Gender and Community Development in the Ministry of Gender, Labour and Social Development said: "Out of liberalization the elite women who exploited the opportunities are benefiting while the majority poor ones are worse off. (Field data)

Hence, for women who have been able to exploit the opportunities brought about by liberalization, have been those with a certain level of education and with relative access to capital. But as some of the above respondents added, where women are involved in exportation, their businesses are relatively small given the nature of the items they engage in and the capital they utilise. Thus, although some women have been able to participate in the export trade, these are few compared to men.

In the import trade, the situation is not dissimilar as in export trade. In the import trade, women have been visible in the importation of especially second hand clothes. But even here, trade activities are regional not involving overseas importation. Import trade just like export

trade; have benefited private foreign investors and indigenous men with enough capital. The same problems like lack of capital, illiteracy, inexperience, besides gender inequalities, in the export trade, are among the problems women face in the import trade. Just like competition has affected women in the export sector, in the import trade women have recounted the same phenomenon. In her response to this issue, the chairperson of Uganda Women Entrepreneurs Association Limited recounted: "It (liberalization) has led to increased competition. Women with no or little working capital deal in small business, and when there are big importers, they bring products that were once women's occupation. Therefore, some of them close, some of them find their way in service industry. With international investors, women end up losing out due to competition." (Field data)

The closing up of women businesses due to competition has led a majority of them opt for small business ventures, especially within the informal sectors. In addition, although procedures for investing in Uganda favour more the local people, the terms for foreign investors are equally favourable to them given that they tend to have quite large capital, skills and experience. In Uganda, a foreign investor is required to have a minimum investment of US\$100,000 to secure an investment licence from the Uganda Investment Authority. While for domestic investors, the minimum is US\$50,000 and may proceed to implement their investment programs without licensing with Uganda Investment Authority. However, to an average Ugandan, and more especially women, very few, can raise an investment amount to that tune. Hence, those who fail to raise such capital wind up in the informal sector.

In terms of productive employment, the sector is estimated to be growing at an annual rate of 20% in the country. But as indicated earlier, very few gains have trickled down to women. In fact as one respondent said, "With liberalization, women have become more vulnerable." Whereas in other countries like in South America and Asia which have implemented SAPs have increased job for women especially in garment, toy-making and other related activities, in Uganda the level of industrial development is still very low. However, even in such countries such industries have taken advantage of women and other poor people by exploiting and paying them little wages. Recent findings in Indonesia among 4,000 Nike workers indicated that 56% had witnessed supervisors verbally abusing co-workers and 24%

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<sup>&</sup>lt;sup>105</sup> Uganda Poverty Status Report, 2001, p. 75.

witnessed either sexual harassment or physical abuse. Similar exploitation among indigenous workers in Uganda exists but whenever such cases up they are difficult to prove. Besides, if a worker were to report the case s/he risks losing the job. Those who cannot cope up instead have to relocate to different areas like cultivation especially for subsistence and in the informal sector.

Conclusively, poor people do not necessarily benefit from increased exports or from policies of protection against cheap imports, just as they do not necessarily benefit from economic growth. In order for them to benefit, domestic political and economic policies must focus on their specific needs and vulnerability. But many reforms in the export and import sector in many of the developing countries have not clearly articulated the needs of the poor in their economic policies. Although liberals acknowledge the role and emphasize the beneficial effects of involving women in export and import sector, these sectors unfortunately have appeared to treat women on an equal basis with men. Such treatment however, overlooks the double burden women face of unpaid work in their reproduction and maintenance of human resources at the household and community levels. Access and free participation of women in the export and import markets has benefits for women, but those benefits are always limited, even if markets are entirely free from gender discrimination. Benefits are limited because the reproduction and maintenance of human resources is structured by unequal gender relations and because the reproduction and maintenance of human resources cannot be directly and immediately responsive to market signals.

# 4.2. Women and government support in the import and export sector

During the interviews, efforts were made to establish the role of government, especially in helping women measure up to the requirement of a liberalized economy, in particular to boost their participation in the export and import trade. One respondent from the Uganda National Chamber of Commerce and Industry said that government recognizes the fact that women do not have capital and access to productive funds, and as a solution to this plight, the respondent further said,

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<sup>&</sup>lt;sup>106</sup> Mark Curtis, *Trade for life. Making trade work for poor people*. London: Christian Aid; 2001, p.118.

The government has however, tried to solve this by setting up export credit guarantee scheme for women like export financial scheme, Apex Fund, etc. All these assist in looking for export markets, lending out to women some funds with a little interest. These also help in packaging export products for items produced by women. All these are kind of micro-financial institutions for small enterprises for women. However, although they claim to charge little interest, at the rate of normally 21% it is to big for women, hence few of them are able to access. (Field data)

In addition, the same respondent further informed the researcher that the government is encouraging women entrepreneurs to form associations through which government can channel some help. For instance, the respondent said,

The government is trying to empower women with economic activities. Women have now formed associations through which they are being helped. For instance, the Uganda Women Entrepreneurship Association Limited is an associate member of the Uganda National Chamber of Commerce and Industry. The government is trying to make sure that women cease to be receivers of help but to turn them into agents of their own change. There is a proposal to form/put a women entrepreneur desk in the Uganda National Chamber of Commerce and Industry. This women desk will help on research, address problems affecting women traders and investors. Such problems may be addressed to the parliament through women representatives. (Field data)

Meanwhile another respondent in the Ministry of Gender, Labour and Social development recounted the government support for women when she said,

Government remains responsible for the policy of liberalizing the economyprivatization.

Government also tries to address some of the problems brought by liberalization. In particular, it gives support-by providing credit-through micro-financial institution to those people who are able to get the loan. These micro-financial institutions are friendly, in that they do not charge a lot of interest, like the ordinary Banks. Hence,

they are able to reach many people. Although government no longer gives subsidies, it permits any agency (especially NGOs) to give any subsidies to people. Government has also developed a policy to help the very poor (35%)-through the poverty eradication plan. Whoever develops any policy in a country is urged to design it in such a way that the poor will also benefit. (Field data)

Overall, women's efforts need support especially from government and other stakeholders if they are to benefit substantially from liberalization. Given the fact that women contribute over 70% to the agriculture production, it is important that government establishes measures that will make women direct beneficiaries of their agricultural production. Addressing gender inequalities and stereotypes that incapacitate women to take advantage of the opportunities ushered in by liberalization should be part of women's empowerment. It is in the same vein that a respondent from Uganda Women's Entrepreneurs Association Limited stated:

Government has to work a lot to help women. A majority of women who are dealing in coffee, cotton, maize trade, etc. are phasing out while others, especially big investors have gained. Women with enough capital though are managing to cope, but circumstances are becoming tense for them. Very few women are direct exporters. Women keep on closing their businesses due to lose and other trade calamities. Many of them do not know that it is globalization leading to all these intricacies they face in business. Unless, government steps up its help, women will continue to lose out. (Field data)

Overall, therefore, developments/changes in the export and import sectors have particularly affected women. Although SAPs have aimed at raising agricultural prices, with the highest rises from exports, women have not benefited much. This is because benefits from higher crop prices depends on producers' capacity to respond by increasing output, which unfortunately many women are unable due to lack of adequate capital and hence specialise more in subsistence crops, which carry significantly lower price rise than other crops. For crops which attract higher prices women get involved simply as labourers and not actual owners of the produce. Women farmers frequently lack access to essential inputs, such as fertilisers, and to technological advice through extension offices, so that it is very difficult for them to take

advantage of the improved prices in terms of greater production. Finally, the greater increase in the price of export crops have increased the amount of unpaid time women put in on these crops, and reduce land available for the subsistence crops. Yet, other elements of SAPs have also increased demands on women's time, that is, cutbacks in the public provision of health, education. These pose some limitations to the extent to which women can switch from human resource production and maintenance to crop production. Children will not be left unattended because another crop has become profitable. Besides, even if they do have some time to spare, they may be reluctant to increase their agricultural workload because they are not confident of benefiting from extra work, since in most cases production is under the management of men. Differences in benefits however differ among the poor and rich women farmers. For women with relatively higher capital have been able to benefit since large capital implies larger produces and relatively easy access to credit facilities.

Increases in the export and import sector further imply some increase in employment rates especially in field of administration, sales persons, marketing managers, etc. Although some women have been able to benefit, these have basically been among those who are educated. Moreover, even though trade liberalization were to advantage women in terms of employment in the export sector, I believe their competitive advantage as workers would lie in their lower wages and inferior conditions, given that women in Uganda constitute the majority who are illiterate. In addition, Uganda, just like in many sub-Saharan African countries, women are critical to food security, as they are typically small farmers or food crop producers. 107 Their efforts to produce for export is burdened by the fact that they do not have enough capital and because of unequal gender relations, women find it difficult to make decision in agricultural productions which may involve sale of output. Trade reforms tends to advantage large and medium producers, since small farmers, especially women, often lack access to credit, new technologies, marketing know-how and hence cannot take advantage of new markets. 108 Efforts by the government to help women are so weak that the near future still seems bleak. As poverty hits hard on the women their only survival strategy is sought in the informal sector, an important sector for women, but also embedded with its own problems, as the subsequent section is going to show. However, to offset some problems government needs

 $<sup>^{107}</sup>$  Nilüfer Cagatay, *Trade Gender and Poverty*. United Nations Development Programme: October 2001, p. 7.  $^{108}$  Ibid.

make some reforms in land and credit to ensure that women easily benefits from export production. Reforms in the government have to ensure that women are also included in management and operations, and that institutions provide adequate access to women. Extension services, for instance, have always assumed that it is men who are who are largely involved in agriculture because they are household head, and hence seldom make special efforts to reach female farmers to boost their export cultivation, which reduces the efficiency of the programmes, affecting agriculture in the end. Thus, an adequate approach to improve women's participation in the export and import sector requires not simply making women visible and calling for resources to be directed to women, but first an analysis of how male privileges and power over women can be reduced.

## 4.3. The Concept and the Importance of Informal Economy in Uganda

### 4.3.1. Introduction

This section defines informal sector and places it in context, and then stresses its importance in Uganda. 'The international Labour Organization (ILO)', as Fidler and Webster state, 'first used the term informal sector in the early 1970s to refer to informal economic activities'. <sup>109</sup> In one sense as they further claim informal sector may mean illicit or illegal activities by individuals operating outside the formal sphere for the purpose of evading taxation or regulatory burden. <sup>110</sup> The second meaning is that of informal sector referring to very small enterprises that use low-technology modes of production and management and does not refer to legal status. <sup>111</sup> In Uganda, and in many other sub-Saharan African countries, the informal sector is variously referred to as the peoples' economy, the second economy, the parallel economy, <sup>112</sup> and exists as a de facto sector, throughout different regions in the country. Similarly, in this study where informal sector is used, it will refer to trading activities operated with limited capital and deal in petty goods ranging from newspapers, cigarettes, sweets, books, to clothes and raw/cooked foodstuffs, among others. These activities may be in

<sup>&</sup>lt;sup>109</sup> Peter Fidler and Leila Webster, "The Informal Sector of West Africa", in *The Informal Sector and Microfinance Institutions in West Africa*. Leila Webster & Peter Fidler (eds.): Washington, D.C; World Bank; 1996, p. 5.

<sup>110</sup> Ibid.

<sup>111</sup> ibid

<sup>&</sup>lt;sup>112</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom.* Kampala: Fountain Publishers, 2000, p.4.

operation by law or not. The options included in this operational definition do not exhausted what the informal sector entails. In fact, it is more than this. This definition leaves room for inclusion of any other trading activities worth to be referred as such.

In Uganda, the informal sector is estimated to account for 63% of entrepreneurs, and 40% of Africa's Gross Domestic Product (GDP)<sup>113</sup>. In Uganda, just like in many other countries, the informal sector remains the main source of employment for people without formal employments, illiterates as well as semi or/and literate. Francie Lund et al, acknowledge, "all over the world, the sizes of the informal economy and the number of workers within it have been growing. In most parts of the developing world, most new jobs are created in the informal economy." Despite the significance of this sector, it remains invisible to those responsible for counting the national wealth. Margaret Snyder states that although many Ugandan entrepreneurs are engaged in the informal sector, they nevertheless survive in a vacuum largely devoid of government policy or practical support. <sup>115</sup>

In terms of sex composition, the sector engages more women than men. Margaret Snyder states that in Uganda women comprise the majority of entrepreneurs in the informal sector. According to the 1995 study by Impact Associates found Ugandan women doing most of the trading in food markets and heavily represented in tailoring, textiles, beverages, services and crafts. In 1996, the United Nations (UN) also admitted that women constitute "the principal labour force in the informal sector" and that their presence is no doubt widely spread across Africa. Although there are more women in the sector, this does not necessarily mean that men are not involved. The difference is that women are more prone to informal businesses than the men, given their lack of access and control over productive resources.

Hence, throughout the document, the informal sector will refer to the smallest enterprises characterised by petty trading, self-employment, casual and irregular wage work, employment in personal services or in small-scale enterprises in manufacturing and

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<sup>&</sup>lt;sup>113</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers, 2000, p.37.

<sup>&</sup>lt;sup>114</sup> Francie Lund, et al, *Street Trading*. Durban: School of Development Studies; 2000, p. 9.

<sup>&</sup>lt;sup>115</sup> Margaret Snyder, op.cit. p. 37.

<sup>&</sup>lt;sup>116</sup> Magaret Snyder, op.cit. p. 9

<sup>117</sup> ibid

<sup>&</sup>lt;sup>118</sup> United Nations Office of the Special Coordinator for Africa and the Least Developed Countries, April 1996. *Informal Sector Development in Africa: Locating Africa's Informal Sector*. New York: United Nations, p. 11.

services.<sup>119</sup> The sector is characterized by a relative ease of entry with low capital investment requirements, and by being relatively labours intensive and unregulated.<sup>120</sup> Thus, informal sector absorbs many unemployed and underemployed people, with women being more vulnerable than men are.

# 4.4. Liberalization and the Expansion of the Informal Sector in Uganda

Emmanuel Nabuguzi indicated that the expansion of the informal sector in the urban population was a survival strategy in response to insecurity, economic mismanagement and civil strife that plunged the country into a deep economic crisis in the 1970s and early 1980s. <sup>121</sup> The tyrannical leadership of Idi Amin in the 1970s led to economic crisis, especially when he expelled the Asians, who owned some 77% of the nation's industries. <sup>122</sup> The informal sector emerged in response to this economic crisis. To avert the spread of informal sector, the Obote II<sup>123</sup> government negotiated a Structural Adjustment Programme (SAP) with aid donors. <sup>124</sup> By mid 1980s, Uganda's economy was still in deep crisis, nevertheless. During this time, the Ugandan economy became enveloped by an ever growing informal economy to the extent that it was suggested that it (the economy) was no longer amenable to study using the usual and known tools of analysis. <sup>125</sup> Women who had been left to care for whole families during these years of chaos became traders and entrepreneurs to supplement on the incomes of the households <sup>126</sup>. Women had been previously ignored especially when the colonial regimes singled out men for education, paid employment and crop marketing. This male bias did not end here but instead became reflected in the subsequent reforms of liberalization and structural

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<sup>&</sup>lt;sup>119</sup> David Wield, "Unemployment and making a living" in Tim Allen and Alan Thomas (eds.), *Poverty and Development in the 1990s*. Oxford: Oxford University Press, 1992, p. 65.

<sup>&</sup>lt;sup>121</sup> Emmanuel Nabuguzi, *Structural Adjustment and the Informal Economy in Uganda*. CDR Working Paper, 94.4, March 1994, p.5.

<sup>&</sup>lt;sup>122</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers, 2000, p. 18.

<sup>&</sup>lt;sup>123</sup> Milton Obote was the first Prime Minister when Uganda got independence from Britain on 9<sup>th</sup> October 1962. Obote led a coup against Sir Edward Mutesa I who happened to be the king of Buganda Kingdom, and the first president of Uganda. In 1971, Idi Amin, an army commander, toppled Obote from the presidency. In 1979, Obote, with the help of the Tanzanian government attacked and ousted Amin, hence Obote II.

<sup>&</sup>lt;sup>124</sup> Emmanuel Nabuguzi, op. cit. p. 7

<sup>125</sup> V. Jamal, Inequalities and Adjustment in Uganda. *Development and Change* vol. 22, no. 2: 1991, p. 321.

<sup>&</sup>lt;sup>126</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardrooms*. Kampala: Fountain Publishers; 2000, p. 17.

adjustments. Women's entry in the informal sector became vivid, especially as Snyder argues that in Uganda, women faced the challenge when the tyrannical regime of Amin in the 1970s made men either run away or be killed, leaving women behind with the children. Snyder further states: 'Amin was very frightened by rich men, by educated men, by men who had their own minds and wanted to go with business rather than get into politics. He started picking them up from their business and offices, so women started manning their husbands' businesses.' 127

By 1986 when the current president, Yoweri Museveni and the National Resistant and Army came to power, a landmark was created for the restoration of the economy. The relative security created henceforth, led to some stability that facilitated the liberalization of the economy and the country at large.

Although liberalization has helped to bring the country to economic recovery, the implementation of its policies, especially structural adjustment programme (SAPs, hereafter) in the late 1980s on wards, led to severe retrenchment of government employees. In addition, privatization of governmental institutions meant that more people were to lose jobs. With the loss of employments, attention turned to self-employment. In analysing the impact of SAP in Uganda, Nabuguzi stated that '...the drastic drop in purchasing power of urban workers. retrenchments and the steep rise in the cost of living related to the implementation of structural adjustment measures, led to urban groups to develop coping mechanisms which mainly consisted in participating in private and informal economic activities..' The impact of liberalization policies has been even more severe on women as a group than on men. Women have been especially affected by the debt crisis and processes of restructuring because they represent a disproportionate share of the world's poor, are increasingly represented among low-wage workers, and are forced to balance wage work with subsistence and domestic production in meeting household need. In accounting for the plight of women in many Third World nations in relation to liberalization, Asoka Bandarage stated that 'mandated cuts in government spending, freezing of wages, abolition of food subsidies, cutbacks in social expenditures, and so on, have increased unemployment and driven down wages, worsening the poverty and vulnerability of the 'bottom layers' of Third World nations.' She further indicated that women usually held the jobs that were cut in state services, such as teachers,

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<sup>&</sup>lt;sup>127</sup> ibid.

<sup>&</sup>lt;sup>128</sup> Ibid. p.6.

<sup>&</sup>lt;sup>129</sup> Asoka Bandarage, *Women, Population and Global Crisis*. London: Zed Books; 1997, p. 200.

nurses and administrative staff. When dismissed or their wages cut, women were forced to seek additional work, often in the informal sector as vendors, prostitutes, and so on, and rely on the support of family and friends. In Uganda by 1989, as people joined the informal sector, the government reported that more than 55% of the informal activities were estimated to be contributing to non-agricultural employment, while only 30% was contributed by industrial, commercial and public service sector put together.

From the above observation, it can be concluded that the existence of the informal sector in Uganda emerged as a symptom of economic dysfunction, and expanded due to the side effects created by liberalization, in particular where people were retrenchment, and had to seek other means for daily survival. Women became more involved as it became difficult for the men to meet all the household requirements. Given the low status of women in Uganda, just like in many other developing countries, including low skills and illiteracy, women as well men opted to engage in the informal sector. From this perspective, the presence of street vendors and other petty traders constituting the informal sector in Uganda, and Kampala in particular, signals that the structure and growth rate of the formal economy in Uganda is inadequate to absorb the national labour force, despite liberalization. In case of women, their labour is typically channelled into the least profitable activities, even within the informal sector.

# 4.5. Women's Livelihoods in the Urban Informal Sector in Kampala: Street Vendors, Makeshift Restaurants, and Marketplaces

In Uganda, although liberalization has increased private indigenous as well as foreign investors, leading to growing GNP, the informal sector has continued to grow. The informal sector remains, as Fidler and Webster state, 'a creator of jobs and incubator of small and medium enterprises. ...the informal sector is a giant sponge, observing much of the shock of periodic economic contraction by soaking up excess labour and by providing second incomes

<sup>&</sup>lt;sup>130</sup> Ibid p 203

Emmanuel Nabuguzi, *Structural Adjustment and the Informal Economy in Uganda*. CDR Working Paper: 94.4., March 1994, p. 6.

to individuals whose real incomes have been eroded by inflation and public spending cutback.'132

Many women interviewed for this study gain their livelihoods in a variety of ways and activities. They do so with varying degrees of success according to their access to resources and employment and how they deal with pressures arising from social and economic changes. Life for many of them entails a daily struggle in which much energy and ingenuity is needed to secure livelihoods in the face of various crises. This section gives a profile of women traders interviewed in the streets of Kampala, and Kampala suburbs of Wandegeya, Kasubi and Kalerwe. The section also discusses issues of their (women's) source of capital, and how its size influences the growth of their businesses; the trade-offs involved; and external obstacles they confront.

The study interviewed women who are married and living with husbands, single heads of household, the separated ones, as well as the widows. As will be realised, married women have a very strong measure of economic empowerment than the single, widowed or separated.

#### 4.5.1. Street Vendors

In the city of Kampala and surrounding suburbs, different types of traders fill the streets and various designated areas of markets. Along the streets of Kampala, many women and men seek their livelihoods by sitting along verandas of various office buildings and along roads selling a variety of items including newspapers, books, success cards, cigarettes, orbits, necklaces, and other petty items. Although some sit in one place especially women, others are mobile looking for customers wherever they can find them and entice them to buy the items. Women, who sit in one place waiting for prospective customers, some of them have their children besides them. In the describing the situation of the majority of women in urban informal sector the Uganda Country Gender Profile stated as follows:

They are seen on the sidewalks selling cigarettes, groundnuts, and newspapers, along the roadsides reselling milk... (Others) sell in the open spaces behind office buildings and hawking of used clothes and others in the offices are all indications of the importance of informal-sector incomes to urban dwellers. For women, these

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<sup>&</sup>lt;sup>132</sup> Peter Fidler & Leila Webster, "the Informal Sector of West Africa." In Leila Webster and Peter Fidler (eds.) the *informal sector and microfinance institutions in West Africa*. Washington, D.C; World Bank; 1996, p.6.

incomes do not come easily..., they work long hours, up to ten or eleven o'clock in the evening. They have their small children with them, in dangerous or unhygienic surroundings or leave them at home in the care of a young relative or daughter, probably of school age but not in school.<sup>133</sup>

Thus, just behind the main Post Office Building in the city of Kampala, along Nile Avenue Street, I met my first respondent Jessica (pseudonym), selling newspapers, orbits, cigarettes, groundnuts and telephone cards for a telephone booth that was located nearby. The items were laid down on a large polythene material for every potential customer to notice under the blazing sun. The owner of the items happened to be a few metres ways under a tree shade. The street where she strategically placed herself is a busy one with a lot of vehicles and people moving along. Besides, the main Post Office where she was stationed, next to it was the building for the Bank of Uganda, and opposite it was the building for the African Development Bank as well as Grand Imperial Hotel, Sheraton Hotel including the Standard Charted bank. Given this environmental, she could easily get customers who work in such places especially for newspapers.

With the help of my informant, I was introduced and himself, and then went on to explain my purpose. At first, the respondent thought we were customers, but as my informant explained to her in the local language, that is Luganda<sup>134</sup>, about our purpose, she seemed reluctant to our request. She thought probably we were journalists or city town council officials. As we later learnt from her and other subsequent respondents doing similar activities, journalists usually put them in the newspapers, an act they detested, and city town council officials confiscate their items, especially cigarettes, orbits, match box, etc. They only permit them to sell newspapers. Soon, however, she accepted after my informant explained clearly what my purpose was, and my identity.

Jessica is 28 years old, and living with four children. She lost her first husband with whom she had two children. After she married again, but this time separated with her second husband, with whom too she got other two children. Her education level is primary seven, and works as a newspaper vendor. Before she started selling on the street she used to work as a

<sup>&</sup>lt;sup>133</sup> Bonnie Keller, *the Uganda Country Gender Profile*. Stockholm: SIDA; 1996, quoted in Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers, 2000, p. 9. <sup>134</sup> Luganda is the main lingua franca in Kampala city, besides others. It is a language for an ethnic group called Baganda who are found in the central part of the Uganda.

waitress where she was paid only 1,500 (about US\$ 1) a day. With this kind of money, she was not entitled to free food from the restaurant and transport. Given the conditions of the urban area, as she narrated her ordeal, 'I decided to supplement my daily income of 1,500 Uganda shillings by sewing and knitting table clothes which I could sell.' 'From the sale of table clothes, I managed to save some money with which I started this business.' In all, she started with a capital of 7,000 shillings (about US\$ 5). As little as her initial capital was, she managed to invest it in items such as orbit, cigarettes, envelopes, and newspapers.

A major problem Jessica expressed was that her capital was little to enable her engage in something viable. In addition, she said that usually city-council officials do not allow them to sell items such as cigarettes, orbits, pens, envelops, etc, and when found they confiscate the items. 'We are only allowed to sell newspapers, yet they do not fetch a lot of money.' 'I collect newspapers from the companies that make them. I have to sell them and get a difference, which is usually small. From the newspaper companies, they cost 600 shillings but I sell them at 700 shillings, and get a profit of only 100 shillings.' From my observation, I noticed she sold a variety of papers including the Monitor, the Red Paper, the New Vision, and the East African. As she further said, 'I have to supplement on the news papers by selling these other items'. (She opened her bag and showed us other items like envelops, cigarettes, matchboxes, orbits, sweets, etc., although a few of them were on display). 'I have sometimes to hide them in the bag because when the city council officials come and find them on the display they take them away. But my customers know that I have such items. Whoever comes and asks for instance cigarette I simply get from the bag.'

Given the nature of her business, Jessica said that she could not come with some of her children to the street. 'This is an open place, as you can see. When it rains, I have to wrap up everything, and sometimes when it gets too hot, I have to look for a shade where I can feel comfortable. Having children with me here can be a bother. So what I do I leave home when I have prepared some food for my children, and the neighbours help to give them when some of them are back from school.' As we later found out, two of her children's father is dead. The other two, the girl is in primary six and the boy in primary four. As petty as her business was, Jessica said she was at least happy that she could at least employs herself than previously when she was a waitress. Because as she said, 'I could not have lunch with the money that they could give me as my salary. On top of that, I could walk a long distance to and from

coming to work. But now although my capital is little, at least if I managed to sell a reasonable number of news papers together with other items I can afford to keep 1,000 shillings every day, something I could not do when I was a waitress.' As she wound up her ordeal she said, 'at least with the little money I make amiable to meet my basic necessity like rent, some clothing and buying food.' 'In future if God helps and I get enough money I will start up something reasonable by establishing a stall in one of the markets in the suburbs.'

In many parts of the developing countries, women live in adverse conditions and so seek their livelihoods in a variety of ways. Such conditions become overtaken by new global developments that have afflicted developing countries, and affect women and men differently. Amidst the economic changes, women have moved out to fend for themselves, and their children. Although men work, their role as breadwinners is dwindling. Men now let women meet the domestic requirements. In other words, the economic changes that are taking place in Uganda for the last two decades, men's jobs have become irregular, which limits their contribution to their families' incomes. Thus, women are compelled to join the vending business due to poor conditions transpiring in their homestead and given that, their husbands are neglecting their responsibility. These changes, although seem detrimental to women's socio-economic livelihoods, they have however, enabled women to break out of the bondage that has kept many of them in domestic responsibilities. Traditional roles as performed by women and men are being challenged. Women are now taking on job activities and responsibilities that were once presumed to be for only men. Although women acknowledge the fact that they can now go out and look for money, their only compliant is the domestic responsibilities they still have to do along with the struggle to look for incomes.

This view is widely shared as will be observed further below from the other respondents. Women's problems, like the experience of Jessica above, are dictated by factors beyond and outside her control. Given the low level of literacy, inadequate capital, lack of skills and the responsibility of childcare women may not afford to compete favourably in the liberalized economy. Thus, the economic changes that have been triggered by liberalization have resulted into reduced real incomes for men as well as women. Increased female participation in the work force has moderated the loss in household incomes but has increased female work hours. Women abandoned by their husbands have been affected to below subsistence, and consequently imposed increasing demands on their time, as consumers,

informal traders as they stretch their income to meet the subsistence needs of the family. Overall they have been marked deterioration in the conditions women face with respect to each of their major role and functions they do.

Similarly, Joy (pseudonym) another street vendor, her situation was not far different from the previous respondents. Unlike the previous respondent, Joy was stationed in front of the Main Post Office building, along Kampala-Jinja road. This is the main street in the city. Surrounding her were many other street vendors like her. It is a busy street with many taxis stopping at any point along the street pavement to pick passengers. The conductors of these taxis are heard all over the street shouting on top of their voices calling for potential passengers. It is quite a busy and noisy street in the city.

Aged 26 years, living alone but with three children, Joy expressed her involvement in the informal sector as necessary if she wished to survive and look after her children. Joy stopped at primary level. Without adequate education Joy argued that, she had to marry early because she realised she was doing nothing at her parents home. Although she married, she is now separated with the husband. Living alone and with children forced her to seek for ways of survival. As she said, 'I started with 5,000 shillings that my husband gave me. Then my late aunt told me to start this kind of job. I sell Newspapers, bibles, cigarettes, orbits, envelopes, among others. I normally collect the newspapers from their respective companies, and also collect these bibles from some bookstore. When I sell, I make some difference from sale.' Concerning the problems faced, Joy said:

The city council officials normally arrest us for selling these other items like sweets, orbits, envelopes, etc. yet I have to sell all these variety of items to sustain the children and myself. Selling newspapers alone cannot be enough. I do not stay with my husband. Although he some times comes to see me, which I strongly detest. I only want him to come, leave money for his children, and then go away but not to stay. Because if he were to stay, I am somewhat disturbed psychologically, this may have an impact on my business. Since I may fail to attend it fully.

Despite the meagre income Joy gets from the business, she expressed her unhappiness, especially when she said, 'my auntie who used to give me the motivation passed away. Besides, I prefer my children to go to school than just sit at home.' The period that she described when she could make some reasonable profits was usually during Christmas period

when she sells Christmas cards. However, Joy wished if one day she gets enough capital she will be able to make her situation better off than it is now. 'But as you can see my problem is lack of adequate capital', she says. 'Because my business is small I cannot stay with all my children and attend to all their needs. One child goes to school, the other I left to my relatives in the village, and the young one as you can see I come with her at work. However, when I leave home, I make sure I have prepared some food for the other one in school such that when he is back he can eat something to.'

Lastly, among the same street vendors, we interviewed Betty (pseudonym) selling tobacco and newspapers. Betty is 47 year of age, a widow living with five children. Unlike the previous two respondents, Betty's capital is relatively bigger, that is, a capital of 100,000/=. Having spent over 30 years in the business this perhaps explains her relatively bigger capital. Betty supplements her tobacco with newspapers, which she said, acquires on loan, and pays after the sale. She further said: 'When my husband died, he left me with some property, especially a house, so this relieves me of the burden of paying house rent. I also rent out some other rooms to tenants from whom I collect 75,000/= each month. With this income, I am able to pay school fees for my children and also meet the daily necessities at home.'

Despite this advantage, that Betty had over other street vendors, among the problems she expressed concern about was that people hardly buy or pay for newspapers. 'We are so many people in this kind of business. As you can see, we are so many doing almost similar activities.' Another problem that she expressed was the fact that Kampala City Council does not allow us to sell tobacco yet it (tobacco) helps in subsidizing for losses incurred when newspaper are either stolen and not paid for. In addition, 'since I sit in one place I find it difficult to compete with those who move around on the street with newspapers looking for prospective customers.'

The presence of street vendors in Kampala, just like in many other African cities, reflects the social and economic hardships people especially women in these regions face. For women the situation is worse given the fact that very few of them are given chance for education. In situation of marriage break ups women still are left with the burden of taking care of the children. In Uganda, culture stereotypically still allocates women the responsibility of childcare. Given these circumstances, women find it difficult to seek employment opportunities that may be brought about by liberalization. Liberalization pushes such people to

the periphery of the different economic sectors, especially in the informal sector partly because most jobs in the informal sector do not require high academic certification. In addition, given that there is no legal policy regulating these kinds of activities those engaged in the trade may be easily affected by new laws or changes that may be introduced by the city council. The fact that some of them sold/sell items that are prohibited by the city councils means that in case of confiscation, they lose their wares, may be forcibly removed from the streets. Thus, liberalization in Uganda has led to the expansion of informal sector but with women being more vulnerable to join the sector especially by participating in cheap trade activities whose profit margins only enable them to live from hand to mouth.



Photo 1

The photo above shows a woman street vendor in Kampala city selling Newspapers, and other

petty items.

## 4.5.2. Tailor

Namusoke (pseudonym) is a tailor, operating out side on the veranda of one of the shops in one of the streets of Kampala. Namusoke is just 20 years old with one child. She still stays with her parents. After her secondary education where she stopped in senior four, her parents decided to send her to a tailoring school. After getting a certificate in tailoring, Namusoke's parents sold a cow to get her a tailoring machine, which she currently operates. Although she earns little money, nevertheless during busy months like December when Christmas season and New Year are celebrated, she is able to get some reasonable money when people are buying new clothes for such occasions. Namusoke also says 'when I get a contract especially from kindergartens to make uniforms, I make some good money for myself. This money helps my parents and me. My father does not work, so I help to provide some necessities at home. My mother sells some petty items including tomatoes, onions, and some sweet bananas. The money she gets from the sale of such items cannot meet all our needs. So I have to work hard to make sure we can have what to eat at home.' Namusoke plans to seek a loan from one of the micro-finance institutions around in order to buy materials, which she can use to make dresses and other clothing to sell. 'I cannot think of leaving my parents. When I think of it, I imagine they will not manage to cope up with needs for survival.' Namusoke's big problem is that customers usually want to saw or to take clothes on credit. This makes it difficult for me to buy the necessary materials for my job.

In Uganda there are many people engaged in tailoring. The amount of profits one makes in this kind of business depends on ones capital and how professional one is in sewing. This will attract customers. On the other hand, the place one operates the sewing machines matters because if it is sparsely populated the tailor is likely to make little money. Several people engaged in this kind of activities are driven by several factors. But above all, the wind of change taking place in many sub-Saharan African countries is compelling people to look for any means for survival. Given the level of illiteracy among women, (see table 1 in the appendix) many of them cannot afford to exploit the opportunities open to them by liberalization but only to engage in informal activities.



Photo 2: Woman tailor

## 4.5.3. Women selling second hand clothes: Wandegeya market

Like many suburbs in Kampala, Wandegeya is one of the outstanding suburbs in the city. The area was annexed to Kampala in 1938. In 1962, its market and the one at Nakasero were the only ones in the city. Located around the main university of the country, that is, Makerere University makes the suburb a spot where most people including university spend most of their leisure time especially having an evening out. This is also due to the many restaurants and bars, especially with the renowned 'Bermuda Triangle Bar acclaimed for gathering students and intellectuals.

As one moves around you notice many hawkers of newspapers and other items displayed along the road. Behind Bermuda Triangle bar is a famous market where items sold range from food items to clothing as well as electronic commodities. Women traders dominate the market, although the men are relatively many. Out of the several traders in the market, I came across Christine selling clothes. Christine is married with four children and a teacher by profession but left teaching due to low and delay in salary payment. Being married Christine, argued that with the help of her husband she managed to raise a capital of 800,000/= Uganda shillings, approximately US\$ 450. With this kind of capital, she said at least she could afford to secure a loan from small financial credit institutions and operate at a relatively bigger level

136 Ibid.

<sup>&</sup>lt;sup>135</sup> Margaret Snyder, *Women in African Economies: From the Burning Sun to Boardroom*: Kampala; Fountain Publishers; 2000, p. 43.

compared to other women in the informal sector with far less capital. She is able to reap relatively higher profits. Having a husband who works, Christine says that this saves her a lot of other responsibilities, which she would be liable to expend on her income. Her husband sometimes injects some money in her business in situations when her capital goes down. She is also happy since as she said, 'we can meet the family expanses together with my husband. However, like many other women engaged in the informal sector, Christine did not hesitate to tell me some of the problems she encounters in her business when we asked. Accordingly, she said: 'Most of my customers are university students but when they go for holidays the sales decline since most of my customers are university students. There are some eventualities that happen which force me to withdraw some of my capital in order to solve them. For example, when children fall sick.'

Unlike single women, those living with their husbands are living a reasonably good life since they do not have to stretch themselves to meet all the home requirements. An economy operating under the principles of liberalization implies that for a people whose education background is poor, lack skills, their capacity to cope with survival, unless they have some support from their husband(s) or other relatives, is likely to be strained. Thus, such women will be compelled to devise strategies to compensate for the incomes that their partners (that is, husband) would have provided by involving themselves in all sorts of activities to earn some income.

Another of my respondent was Patricia, 33 years of age, a widow with three children. Initially she used to sell raw food especially sweet potatoes with the capital of 30,000/=. Having saved some reasonable amount of money from this business, Patricia managed to raise some capital to start selling second clothes. She has spend over ten years in this business with a capital of about 150, 000/= Compared to her previous business Patricia thinks that she is now happy. Her biggest problem is the ban of second hand clothes the government have promised to effect in future. 'If the government were to implement the ban, many of us are going to be affected since as you can see so many of us get our livelihood from this business.' This ban as she further argued, 'is being pursued by foreign investors who engaged in textile and apparel production. Because a majority of our people depend on these clothes, the big investors want to monopolize the sale of their clothes by pushing us out of the market.' The other problem Patricia expressed was the high taxes levied on second clothes in order to

reduce or discourage their importation. 'When we sell them at a high price people will not come to buy, many will decide to go in the shops to buy new one.' 'The competition is also high given that we are many doing the same activities.' Among the achievements, Patricia said she gains from her business is the fact that she is able to pay school fees for her children and feed them. 'I also carry out some small farming like growing of cassava, which I sells and get some money.'

Unlike women street vendors who use very little capital, selling second hand clothes require relatively big capital. This is because such clothes have to be imported from neighbouring countries or overseas. Women themselves are not involved in the importation of these clothes. As noted earlier it is largely the men and other foreign private investors who import the clothes from whom they get them. With a relatively sizeable capital means that the income is also slightly better than women selling in the streets are. It may be realised that women living with their husbands are relatively better off as testified by some of them. This is because some responsibilities that require financing can be met or shared by the couple. Thus, an assessment of the women's livelihoods has to examine the different categories of women in the informal sector, especially by stressing how the difference in capital, type of activities engaged in, family status, influence their welfare including those they take care of or they stay with.

Lastly, in this category of second hand clothes seller/vendors, we interviewed Juliet (pseudonym), who operates her business in one of the busiest market in the city. That is, St. Balikudembe market, formerly Owino market. Just at the entrance of this market are found so many of other traders calling whoever is passing by to purchase whatever they sell. Inside the market are a variety of stalls with different sorts of items ranging from shoes (both brand new and second), clothes, electronics, vegetables, etc. The number of people operating in this market is enormous. Although statistics is unavailable concerning the actual number of traders in the market, Snyder reports that by 1992, there were 30,000 vendors, with women constituting 21,000. Unlike women operating along the streets, the traders in this market have formed themselves into an association through which they able to defend themselves in case the city council hike their taxes.

<sup>&</sup>lt;sup>137</sup> Margaret Snyder, *Women in African Economies: From Burning Sun to Boardroom*. Kampala; Fountain Publishers; 2000, p. 53.

Thus, Juliet whom I interviewed found her 'shouting' on top of her voice the items she was selling. When I stopped to have an interview with her, she thought I was customers. But when I explained my intention she hesitated a bit, given the fact that she was busy. Besides, she was not sure of our intentions because as she told me, so many people come camouflaging as students on research when actually are not. They may be thieves or city council officials checking out vendors who operate illegally. After explaining my cause at length with her, she finally accepted but on condition that I hurry up the interview. Juliet sells second hand clothes, commonly called 'kunkumula', literally meaning 'shake and see'. She is a single mother of three children. Her education is up to senior one. Before deciding to sell second clothes, she used to work in a bar as a waitress. With the money she earned as salary she was able to save some to start up her current business of selling 'kunkumula'. With this kind of business, Juliet said:

The profits I get in this business I have been able to construct a house and take care of children's education. My eldest son a certificate in computer and is pursuing a diploma in business administration. Since I began this business in 1997, I have managed to save over 700,000/= (approximately US\$400, at least by the time of this research). The stall you see is mine, and I only pay tax to operate here just like many other vendors in this market. I use the money on my own discretion, without having to plead for help from the father of my children. The only problem I experience now is little capital. If I can get some more money I would be able to diversify my business.

The other fear Juliet expressed was the warning by the government to ban the sale of second hand clothes in order to protect local textiles. 'I only pray that government does not affect this ban. If it is to do so, then I do not know where I will go and what to do. I am so used to this kind of business, and I do not want to engage in any other venture because I'am not experienced in. but it will also be unrealistic for a majority of poor people who cannot afford to buy new clothes. It is here that they can afford to get clothes of any price and of their status.' Banning or not banning second hand clothes is a dilemma most developing countries, especially in Africa face. In Uganda, given the fact that the government has accepted to take

on the policy of liberalization they are in a fix either to protect their own nascent industry by imposing tariffs on imported goods, in this case second hand clothes, or to let those industries die off by allowing cheap imports of second hand. Since many people, especially the illiterate, semi-illiterate, and those who cannot get formal employment are involved in such business of second hand items, closing them up will mean throwing many people out of business that will lead to persistent poverty.

### 4.5.4. Women in makeshift restaurants

Along Nakivubo Park Yard, which is located down town, Miriam (pseudonym) aged 23 years, single and having one child told us she deals in cooked food. Miriam decided to operate her business in this place because a lot of people engaged in informal business are located here. It is also where the new taxi car park is located. Hence, she is able to capture customers coming to eat. Surrounding the place are lot of vendors selling second hand clothes, hawkers, and bicycle and moped riders waiting for people to ferry them wherever they want to go.

Initially, Miriam, was dealing in second hand children clothing. Due to competition and slow pace at which people could buy clothes compelled her to change her business to food selling. Like many people in this kind of business in the city, Miriam owns a makeshift restaurant with a few seats and tables for those who come to eat. She also has her customers whom she has to take the food for in the shops when it is lunchtime. Since she employs some young girls, she sends them to take the food to such customers. Although she was hesitant to tell us her capital, Miriam nevertheless said she gets a net profit of 3,000 shillings per day, something she could get when she was still operating the previous business.' Having only one child', Miriam says, 'saves me a lot of expenses, and when the child is in holidays I do not have to spend much especially daily transport and food items for her to have at school. I have a house cleaner who takes care of the child when am at work. The only big responsibility I have is payment of rent.' I have been in this business for one year now, but am relatively okay. Among the problem Miriam expressed encountered in the business was the high taxes levied, and proclivity among customers to eat food on credit but do not honour their debt. Despite these problems, Miriam said as single woman she is better off than when she was married.

The involvement of women in some sort of informal business gives them some degree of independence from their husbands since they on several occasion decides to plan for the home without consulting their spouses. For women who are living singly, although lack spousal support, they have full control over their incomes. Such independence enables them to plan for the expansion of their business if they happen to get adequate capital, and how to plan for the survival of those they look after than households headed by men. In other words, in most cases women living in the households headed by men suffer from the husband's unwillingness to devote resources to women's business enterprises. And in such households, women are not in control of household resources though they have the obligation and duty to manage household resources so as to feed, clothe, house, and educate the rest of the household. Such responsibilities for making ends meet without control over resources is a source of constant problems and anxiety for poor women. They have to devise household survival strategies, but it is their husbands who have control access to major resources.

In addition, the relations of male domination and female subordination that characterize the household as a social institution have enormous implications for conceptualising household responses to structural adjustment. As Diane Elson stated,

It cannot be assumed that households will react to structural adjustment by reducing expenditures on luxuries so as to maintain expenditures on necessities. There is evidence to show that in both developed and developing countries through a wide spectrum of class positions and even in very poor households, men tend to maintain a personal allowance largely spent on luxuries such as alcohol, cigarettes, gambling and socializing in beer halls and cafes. The wife acting alone has no power to reduce household consumption of these luxuries so as to be able to afford higher food prices. <sup>138</sup>

My other respondent in this category was Hasifa, 55 years of age, with five children. She separated with her husband. At first, she was dealing in second hand clothes and now she is in the business of selling cooked food. She uses a capital of 80.000/= (loan from a friend). She said that the previous business was better but she had no capital. She needed a capital of 1,000,000/= for the previous business but which she could not afford to raise. Among the problems faced are 'low market, so many conflicts with friends, high rent (30,000/=) per

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<sup>&</sup>lt;sup>138</sup> Diane Elson, "From Survival Strategies to Transformation Strategies: Women's Needs and Structural Adjustment" in Lourdes Beneria & Shelley Feldman (eds.), *Unequal Burden. Economic Crises, Persistent Poverty, and Women's Work.* Boulder: Westview Press; 1992, pp. 35-36-

month, sometimes serving plates are stolen, no assistance for children because when the husband died I did not acquire any of the husband's asset and one of my child is mentally deranged.

Mary another food vendor told me that once she operated a retail shop which later collapsed due to little capital and low sales. She is 29 years olds, married with four children, without any formal education at all. When her retail shop collapsed Mary shifted to selling food with a capital of 120, 000/=. Being married she said that this saves her a lot of expenses since the responsibilities are home are shared together with the husband. She gets a profit of 2,000/= daily which enables her to meet her personal needs as well as other family needs. Besides, she is not overburdened with work since she is able to employ a housekeeper who takes care of all housework, when she goes for work. Among the problems, Mary said encountered in her business were few customers, selling sometimes at loss due to competition, and taxes which are sometimes high. The other problems that Mary expressed not directly related to her problems were that she has no other source of income; some part of the capital is withdrawn from the business to meet some school requirements for the children. In addition paying the housekeeper is also difficult because of the little profits she gets from her business. Although the husband works, the money is not always enough. She further commented that having a husband is sometimes problem because 'men are not cooperative as far as meeting family needs is concerned.'



**Photo 3**: Woman selling operating makeshift restaurant. She is getting food for a customer on the plate.



Photo 4: Selling food

#### 4.5.5. Kalerwe Market

Five kilometres along Gayaza Road north of Kampala is Kalerwe Market. The market attracts customers from Wandegeya, Makerere, Mulago, and surrounding areas. The market boasts of a variety of items including bananas, potatoes, fruits, green vegetables, tomatoes, onions, as well as retail shops selling a variety of other items. In Kalerwe Market, we met a woman called Robinah; a widow aged 35 having five children. Robinah is also a landlady. She has been in a business of selling cassava for 10 years. She works in an open place. On the daily basis she gets the cassava on loan of 20,000/=, and after selling it she pays the debt. With this kind of business, she is able to pay fees for her children, and owning a house, which she rents out, relieves her of the burden of paying rent. On the other hand, among the problems she encounters in the operation of her business were high competition, lack of capital which she said needs close to 100,000/=. Although she pays fees, it is not always easy to pay and also feeding the children is problematic. 'My house is so dilapidated that it is difficult to repair since I do not have adequate funds to do so. The people to whom I rent out some of the rooms sometimes do not pay, others move out without paying at all.'

In the same Market we also I came across Gertrude aged 40 years, married, having a family of 12 people, these include her children and grandchildren. Her husband is working. She operates a stall in the market where she sells a variety of items including cassava, tomatoes, onions, bananas. However, having a big family Gertrude finds it difficult to meets the needs of the family. 'Taxes here are high, and since we are many people selling the same items getting customers is not easy.'

Despite these obstacles, Gertrude claimed some achievements in her business which included the ability to make some profits, which helps me to met some of the domestic needs; my husbands sometimes helps with some meeting some house needs. Gertrude claimed having many people at home, 'I do not need to pay the housekeeper, and work is shared and done easily.'

She concluded that even though she does not earn much profit she prefers working because when she stays at home there might arise conflict between her and her husband. 'When some men see their wives working, they leave them with the responsibility of looking after the children, which is not easy for them because they earn little profit', says Gertrude.

Another respondent I interviewed in the market was Annette, 23 years old, married with three children. She owns a stall in market where she sells a variety of items like green vegetables, bananas, tomatoes, onions, and fruits. She uses a capital of 200,000/= but as said she prefers 800,000/= in order to compete well. Unlike other respondents I met, Annette is new comer in the business, and by the time I conducted the interviews she had spent one month in business. Being a newcomer, Annette did not tell much about the problems she encountered apart from having to sell at low price, which means low profits. Having a husband Annette said, 'my husband caters for the children.' Annette was of the view that 'women with husbands are better off than those who do not have.'

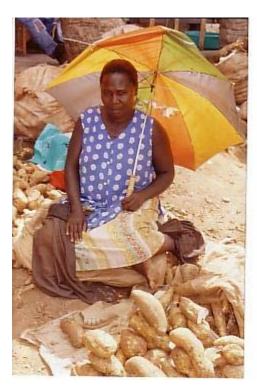
Given the conditions of women, Annette advised that 'government should put up more projects for loan facilitation for women with no or little capital.' In opinion, 'NGOs give little loans and want it paid in the shortest period possible. This makes it difficult for some women to secure such loans.'



**Photo: 5**. Women preparing cassava for sell in Kalerwe Market.



**Photo 6**: Woman preparing sweet potatoes for sell in Kalerwe market



**Photo 7**: Women selling sweet potatoes in Kalerwe Market

Stella, another respondent found her selling cassava. Stella is 35 years old, living with six children. Stella lives alone after separating with her husband. She narrates that her husband had refused her to work but she insisted on working, which became a cause for her separation. Stella says that although she finds a lot of difficulties meeting her family's basic needs but living alone helps her plan her survival. Stella says that most men do not want their wives to work in order to control them. 'Men want women to beg them money, ask for everything like salt, food and money for clothes. If they know you do not work then they are able to control you. You cannot travel, or buy anything you fancy.' Stella narrates that she started with a capital of 40,000/=, and now her capital has expanded to about 200,000/=. In a day she can save about 4,000/=. The only problems Stella told me was the taxes she has to pay as well as competition since they are so many doing similar business. The storage of this food is also poor because of you cannot sell the cassava; it easily goes bad which means a loss. 'Although I did not study very far at least I want my children to study to some reasonable level in order to look after me when am old.'

Stella does not hesitate to boast about her independence from her husband, whom she describes as a drunkard when she states,

I believe that unless a woman does not know what she wants, there is nothing men can do that women cannot do. I appeal to fellow women to fight the bondage that men have put them in. they should think of looking what to do instead of expecting everything from the man. When you work as a woman, you become self-reliant and sufficient and you do not have to desire anything. My struggle now is to plan for my children's future. I do not want them to experience the kind of life I have gone through.

My last respondent in this market was Fiona. Fiona is 45 years old, selling matooke/bananas, living with four children and other relatives whom she helps. Fiona says that her father never sent her to school along with her other three sisters. Her only fortune came with one of her neighbour who taught her how to count in order not to be cheated when counting money and to cost items. Fiona narrates that 'I was 15 when I started to work as house girl/maid in the city. One of our neighbour's daughters was married to rich man in the city and she requested for me to go and help work for her as a housemaid.' By then Fiona was living in Luwero, one

of the districts of Uganda. 'I worked as a house maid for four years then I took up another job in the city as a waitress in one of the bars. The money I saved from here I resolved to start a business of selling oranges and water melon, but that business did not last long.' Being unsuccessful in that business, Fiona decided to engage in selling matooke, the business which she currently operates. She narrates,

'I started with four bunches of bananas. Gradually the business started to pick on. At present I have a capital that enables me to trade in over 200 bunches of matooke. Just like any other business, this one too is fraught with problems, especially competition since we are so many in this business. Storage is poor and the bananas easily go bad especially when sales are bad.' Fiona does not look for matooke from where it is dug in the villages. She gets them from the businesspersons who get them all the way from Masaka, one of the districts in Uganda, well known for growing a lot matooke/bananas. Engaging in this kind of venture has helped Fiona to meet some of her family needs as she says, 'I bought a piece of land and built a house on it. I also have a garden of cabbage, and when it is ready, I sell. Having children makes my business not easy to operate. They have many demands that I have to meet. In addition, I help my other relatives I stay with. I am only lucky that I do not have to rent. So I do not have to spend on renting where I sleep.'

#### 4.5.6. Kasubi market

Along Hoima road is Kasubi market. Kasubi area houses the Kabaka's (King's) Tombs, the Buganda kings' final resting place. Kasubi market faces Makerere University, down a hillside to a broad valley. Hundreds of people find their livelihoods there, operating under stall and others hawking along the roadways. Heaps of food items including bananas, tomatoes, cassava, potatoes, and fruits, among others, fill almost every stall in the market. Women dominated the market, although men too sell in the market. Phoebe, whom we picked on as our respondent in this market operates a makeshift restaurant in the market. Phoebe is 45years old, married with nine children. Six of her children go to school and three dropped out due to lack of fees. However, she insists that her children have no direct impact on her business. Her education level is secondary school. 'I had no other alternative that is why I decided to take on

this business. My initial capital was 200,000/= shillings. Phoebe has spent 6 years in the business but prior she was a housewife.

The problems phoebe said she faced in the business were that competition and taxes are so high: 'Sometimes I prepare food and clients do not turn up so I end up making losses. The taxes are so high that it is not appropriate to the size of the business and they collect it harshly.'

Nevertheless, phoebe claimed some benefits from the business. When she makes some profits, it usually 4000/= a day, which makes a difference than what she was initially as a housewife.

From all the above women's profile it is evident that women socio-economic situations is strongly determined by the level of their education, gender relations, as well as the opportunity for independence their jobs or activities can grant them. Most of the women interviewed were basically illiterate and semi-illiterate, with only a few with some reasonable level of education. Education has a relation to the initial capital one starts with. Those with relatively some reasonable education usually had big start up of capital compared to those will low or nothing. The findings also indicate that all the women interviewed for this study had children with an average of three. This indicates that women in Uganda, just like in many other sub-Saharan Africa, marriage is an important vocation which every young girl looks forward to. Unfortunately, the current socio-economic trend has disabled most of the marriage relations to last for long. Given the level of poverty in most households, many couples find it difficult to take care of their family needs. Current socio-economic conditions are challenging men's traditional role of as a breadwinner. Women are taking up most of the responsibility. In the study it can be realized that where divorce, separation or where a woman is single, the responsibility of childcare remains that of women. This shows that communities in Uganda still expect women to care for children. Besides, merely taking care of the children they take responsibility for their education and the providing them with other basic needs. However, women who were married and cooperating with their husbands noticed that they found it easier to take care of household needs. Both the husband and the wife could contribute to family needs. In this case, women who were married were not as stressed as those who were divorced, separated or living single. It may also be realised that women living alone without support from the father of their children were poorer than those who were married. This is partly because where a woman stayed with the husband, in case the business happened to collapse, the husband could inject in more capital to sustain it than those living singly could.

Given this scenario, for liberalization to have any meaningful consequences for women in the shot-run is far from being realised. Women will continue to work in low and cheap job settings. In a liberalized economic, to echo Karl Marx's criticism of capitalism, women in this case, help to act as reserve labour force for capitalists. Since many are illiterate, semi-illiterate, they are easily and cheaply taken on as employees, which guarantee gargantuan profits for capitalist since wages are kept low. Hence, although the effects of liberalization in the short-run may be growing GNP for a particular country, women's as well as other poor and vulnerable people's benefits may not easily be realised.

The experience of trade liberalization in Uganda for the last two decades indicates an improvement in the general country's economic performance. Nevertheless, liberalization as a process has created winners as well as losers among women even when there is a relative gain in women's employment compared to men. When opportunities emerge as a result of trade liberalization and SAPs, women are slow to take advantage of them as they often lack access to credit, have little or no capital as well as knowledge and skills to create viable businesses and take up new jobs. Trade liberalization in predominantly agricultural economies, as in Uganda, has endangered women's livelihoods and women have been the last to take advantage of the opportunities created due to gender division of labour, differences in ownership and control over productive resources and marketing knowledge. This is further perpetuated by gender biases inherent in state institutions and markets. In many instances of trade liberalization, countries in many developing countries have not had the administrative and fiscal capacity to mitigate the negative social consequences of trade liberalization. 139 'This is in part because economic liberalization itself hampers the fiscal and administrative capacities of governments to provide protection to their most vulnerable citizens by reducing government revenue. ...moreover, government were compelled to give tax holidays in order to attract foreign capital, shifting the burden of taxation from footloose capital to labour in the world economy. ... All these factors have had the effect of diminishing the fiscal and administrative

<sup>&</sup>lt;sup>139</sup> Nilüfer Cagatay, *Trade, Gender and Poverty*. UNDP; October 2001, p. 25.

capacity of the state to compensate those citizens that have been adversely affected by trade.

Thus, when part of liberalization policy package is privatization of once state managed enterprises, retrenchment, wage cuts, and reduction of provision of social services, poor people and more especially women, suffer. Women suffer doubly because on one hand, they benefit less from publicly provided services, like education, health care; on the other hand, their work burden in the form of unpaid household work and care labour may increase. <sup>141</sup> In addition, as incomes in the households diminish, men abandon their families and women are left with the burden of taking care of the household members. Such changes brought about by liberalization; imply that the relative ease of entry in the informal sector makes it a refuge for all kinds of people who cannot get formal employment or with little capital or who generally cannot take advantage of the opportunities.



**Photo 9**:

Kasubi Market: Women and men busy trading in matooke (bananas)

<sup>140</sup> ibid

<sup>141</sup> Ibid.

# 4.6. The role of government of Uganda: the Ministry of Gender, Labour and Social Development

Women's position in Uganda is directly connected with culture, which perpetually denies them access to resources even when opportunities come up for advancement. Uganda, just like other African countries, is characteristically patri-lineal, which rule out women owning land and this practice is reinforced by widows being denied to inherit their husbands' land, which automatically is taken over by either the clan or the deceased husband's male kin. Land ownerships guarantees access to credit as land acts as collateral but the present landownership regime generally marginalises women thus denying or restricting their access to credit notwithstanding their huge contribution to food production. Because women are constrained by limited access to land and other productive resources, the government, in bid to ensure that women take advantage of the opportunities engendered by liberalization, has responded to the need for women's empowerment with direct support for affirmative action and programmes and projects focussing on economic emancipation, legal emancipation and gender balance on all constitutional aspects with firm recognition of the significant role women play in society. In addition to government efforts, a large number of women NGOs have been set up, working both singly and collectively to liberate women economically and legally. They include those that operate legal aid clinics for women and those that provide financial and technical support (including skills training) for community based women's organizations. For instance, National Association of Women Organizations in Uganda (NAWOU), mobilising on development; FIDA, on legal aid and court representation; ACFODE, on legal aid, training and research; Uganda Women Doctors Association on Health; and UWFT on provision of credit. 142

Nationally, the government of Uganda set up the ministry of Gender, Labour and Social Development (MGLSD). The establishment of this institutions was a result of the concerted efforts by the activist civil society organizations especially Action for Development (ACFODE) that was established in November 1985, just before the formation of a new government by the National Resistance Army (NRA) led by the current president, Yoweri

<sup>&</sup>lt;sup>142</sup> Ministry of Gender Labour and Social Development, United Nations Convention on Discrimination Against Women. Kampala, December, 2000, p. 10

Kaguta Museveni.<sup>143</sup> ACFODE sought to increase the participation of women and girls in social, economic and political arenas.<sup>144</sup> Under this organization, women asked for change in the government institutions that affected their lives on matters such as employment, health and education.<sup>145</sup>

As a result, official action was taken by the president, and in 1991, the Ministry for Women in Development was created in the president's office, merged with the Ministry of Youth and Culture, and renamed Ministry of Gender and Community Development in 1994. <sup>146</sup> In 1998 ministry was again remained after the donor countries, and in particular International Monitory Fund called for liberalization, privatization and restructuring of the economy <sup>147</sup>. As the Assistant Commissioner for Gender and Community Development in the ministry said, 'the ministry changed where they combined with several other departments including culture, elderly, disabled, gender and community development'. The ministry guides the government on how to go about with the poor, women, children, elderly, youth and persons with disability. This helps the government to design development policies in the context of liberalization for instance, to ensure that women and other vulnerable people in the country do not suffer from the side effects of liberalization. Specifically, the ministry developed a National Gender Policy with the goal of 'mainstreaming gender concerns in the national development process in order to improve the social, legal/civic, political, economic and cultural conditions of the people in Uganda in particular women' <sup>148</sup>. Among its specific objectives, the policy aims at:

- providing policy makers and other key actors in the development field reference guidelines for identifying and addressing gender concerns when taking development policy decision;
- ➤ identifying and establishing institutional framework with the mandate to initiate, coordinate, implement, monitor and evaluate national gender responsive development plans;

<sup>&</sup>lt;sup>143</sup> Snyder Margaret, *Women in African Economies: From Burning Sun to Boardroom.* Kampala: Fountain Publishers; 2000, p. 24.

<sup>144</sup> ibid

<sup>145</sup> ibid

<sup>146</sup> ibid

<sup>147</sup> ibid

<sup>&</sup>lt;sup>148</sup> The National Gender Policy: Ministry of Gender and Community Development, Kampala, 1997, p.5.

- redressing imbalances which arises from existing gender inequalities;
- > ensuring the participation of both women and men in all stages of the development process;
- promoting equal access to and control over economically significant resources and benefits; and
- ➤ promoting recognition and value of women's roles and contributions as agents of change and beneficiaries of the development process. 149

In short, the Ministry is mandated to spearhead gender responsive development. It is against this background that the Poverty Eradication Action Plan (PEAP), which is Uganda's national planning framework to eradicate poverty in the country as well as countering the side-effects of liberalization, had to be made gender responsive through the ministry. In other words, the PEAP sets out a framework within which the government can tackle the complex causes and dimensions of poverty right from the household level/micro-level, micro-level to macro-level. Since the causes of poverty within the household and in society are interrelated, the PEAP has developed four main goals, code-named, 'pillars', which are interlinked and seek to address all the dimensions of poverty<sup>150</sup>. These pillars include: rapid and sustainable economic growth and structural transformation, good governance and security, increased ability of the poor to raise their incomes, and enhanced quality of life of the poor.

For rapid and sustainable economic growth to take off, without leaving women behind, for instance, the government has ensured that such growth is pro-poor, if it is to lead to significant poverty reduction. The government has implemented pro-poor measures by helping them to acquire physical and human assets – through primary education and secure property rights – from which to make a secure living<sup>151</sup>. All such measures and others are aimed at fulfilling and promoting gender equality as provided in the country's constitution as well the National Gender Policy as a framework for promoting gender equality. In short, the efforts of

<sup>&</sup>lt;sup>149</sup> ibid.

<sup>&</sup>lt;sup>150</sup> Ministry of Finance, Planning and Economic Development, The Poverty Eradication Action Plan: A summary Version, May 2002, p. 6.

<sup>&</sup>lt;sup>151</sup> Ministry of Finance, Planning and Economic Development, The Poverty Eradication Action Plan: A summary Version, May 2002, p. 7.

Ministry of Finance, Planning and Economic Development, The Poverty Eradication Action Plan: A summary Version, , May 2002, p. 6.

the government have been geared toward identifying priority areas, that is, poverty, income generating, reproductive health rights, legal framework and decision making and girl child education, to tackle as the best way to overcome the challenges women face in the current global expansion of liberalization. The government through the Ministry of Gender adopted a National Action Plan on Women as well as setting up the National Women Council to ensure all women participate in development. For instance, "the Land Act has been passed to give women more control over resources through prohibiting customs and practices which prohibit them from owning land and limiting the power of husbands to dispose off family land. The parliament is in the process of amending the Domestic Relations Bill (DRB) to give women equal rights as men at marriage, during marriage and at the dissolution of marriage. Affirmative action has been taken to increase the number of women in decision making at the local and national levels. Implementation of the same policy in education under the Universal Primary Education program has increased the number of girls in schools. In other institutions of higher learning, the number of girls entering university has increased by over 30%. The Ministry and Uganda National Bureau of Statistics have developed capacity to collect genderdisaggregated data for gender responsive planning, monitoring and evaluation."152

Despite the above endeavours by the Ministry, it still faces some serious challenges in trying to fulfil its obligation. In particular, the Ministry has faced the problem of underfunding, which makes it difficult to ensure the fulfilment of the above objectives. As the commissioner informed us, 'the ministry sometimes is unable to perform to its best due to under funding.' For instance, 'the government budget's of 1994-95 apportioned just one tenth of one per cent to the ministry a total of US\$ 595,000, compared to 20.9 per cent for the Ministry of Finance and Economic Planning and 25.1 per cent for security, including defence and police. Donor support, most generously from the Government of Denmark, supplemented the ministry's meagre allocation.' Thus, the government encourages the establishment of Non-Governmental Organizations (NGOs) that are geared towards assisting women to cope or eliminate the economic hardships engendered by liberalization and related processes. For instance, the chairperson for Uganda Women Entrepreneurs Association Limited said:

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<sup>&</sup>lt;sup>152</sup> Ministry of Gender Labour and Social Development, United Nations Convention on Discrimination Against Women: A simplified Booklet on the Convention on the Elimination of all Forms of Discrimination Against Women. Kampala: December, 2000, p. 10

<sup>&</sup>lt;sup>153</sup> Snyder Margaret, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 24

'Government encourages the establishment of a number of organizations to help women especially the peasantry. Government has no direct dealings with women trader, however.' (field data)

Similarly, the Assistant Commissioner for Gender and Community Development in the MGLSD said:

Government remains responsible for the policy of liberalizing the economyprivatization

Government also tries to address some of the problems brought by liberalization. In particular, it gives support-by providing credit-through micro-financial institution-to those people who are able to get the loan. These micro-financial institutions are friendly, in that they do not charge a lot of interest, like the ordinary Banks; hence they are able to reach many people. Government no longer gives subsidies – but permits any agency (especially NGOs) to give any subsidies to people. Government has also developed a policy to help the very poor (35%)-through the poverty eradication plan. Whoever develops any policy in a country is urged to design it in such a way that the poor will also benefit. (Field data)

Many of these NGOs now in place are attempting to empower women economically by extending credit at reasonable interests, developing income generating activities and availing market information for women farmers. This is aimed at ensuring that women get more access to capital in order to start or expand on their income generating activities. The Uganda Women's Entrepreneurs Association Ltd (UWEAL) formed in 1987 is a forum for women who own and manage commercial enterprises of various types and sizes. <sup>154</sup> As a recognized body of women in business, UWEAL's members are also members of the Uganda Manufacturers Association (UMA) and the Uganda National Chamber of Commerce and Industry. Among the aims of the UWEAL are to research and maintain a database for promoting women's enterprises, facilitating of training in business administration, work with financial institutions to promote women's access to credit, and soliciting financial and material support. <sup>155</sup>

155 Ibid.

<sup>&</sup>lt;sup>154</sup> Snyder Margaret, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 28.

Despite these concerted efforts, women organization involved in campaigning for women's empowerment economically, politically and socially, a big job still awaits them. Citing the United Development Programme's (UNDP) 1997 Uganda: Human Development Report indicated that,

...cursory analysis of Uganda's gender profile demonstrates widening gender disparities: a dichotomy between women and men as regards access to productive resources, poverty levels, education, employment opportunities and participation in the political process. It is noteworthy that while the preponderance of the agricultural labour force is women (70%) of the total) and the bulk of food production (70-80%) is undertaken by women, only 7% of women own land. And gender disparities cut across all social indicators, capability indices and indicators of political and economic participation. <sup>156</sup>

While this gap in gender is partly due to traditions and colonial regime, liberalization process have further exacerbated or reinforced economic inequalities between men and women in Uganda. This is because the funds that would be channelled to improve on women's conditions, is spent up in paying back the debts. Snyder argues that acceptance of SAPs requires one to get new credit, and as a result, much of the national income is spent on paying the debt and debt interest. Liberalization, hence, tends to channel resources to big business, in most cases foreign-owned-to the neglect and disadvantage of micro and small enterprises especially in the informal sector, which, as indicated above still remains the largest future employer of women and poor men, who cannot afford investment in big business ventures or seek employment due to lack of skills, education, information, among others.

#### 4.7. Conclusion

The political and economic upheavals in Uganda since independence as well as the subsequent reforms that followed have dramatically transformed men and more especially women's lives. The post independent regimes and liberalization have pulled women in the informal sector more than ever. The Uganda case and Kampala women informal traders, who participated in this study in particular, demonstrate that women collectively have had less access to the civil,

<sup>&</sup>lt;sup>156</sup> United Nations Development Programme (UNDP). *1997. Uganda: Human Development Report, 1997.* Kampala: UNDP. P.

<sup>&</sup>lt;sup>157</sup> Snyder Margaret, *Women in African Economies: From Burning Sun to Boardroom*. Kampala: Fountain Publishers; 2000, p. 30.

formal services employments or the profitable trades in the formal sector then men. Nevertheless, some women have benefited from their participation in the informal sector through the various activities they engage in. Their trading activities are and continue to be essential for their survival and those they look after. Their engagement in the informal sector have appeared to treat women as individuals in their own right, and if women have no alternative but to sell their labour or their products and get some cash income of their own, this lessens their economic dependence upon men, increases their economic value, and tends to increase their bargaining power within the household. Access to an income of their own, although meagre, tends to be highly valued by women, not only for what it can buy, but also for the independence it gives them to make their own decisions.

However, as long as the economy continues to marginalise women, their ability to compete favourably with men, despite the reforms of liberalization and structural adjustments will remain adversely affected. Women with high incomes on the other hand, can reduce their disadvantage in the market relative to men by buying substitutes for their own unpaid work – employing cleaners, maids, or cooks. However, even this does not obliterate their disadvantage, as they still have responsibility for household management. The causes of this as already observed in the discussions above are legendary, that is, tracing their origins in socio-cultural environments, they are socialized into. Since the informal sector has been the refuge where people have sheltered against the socio-economic shocks brought about by liberalization and SAPs, the strengthening of this sector is very vital to absorb those where the formal sector has not been able. It remains the only sector to absorb the illiterates, semiilliterates, those with little or relatively big capital, etc. It is therefore vital for governments to develop policies that guide and regulate this sector, in order for the participants who are in most cases women, be protected against external interference. Non-Governmental Organizations engaged in women/gender activities should encourage the government to provide a viable environment to boost such a sector for those whom the formal economy marginalizes. The policy environment has to be changed to cater first to the immediate effects faced by women because of structuring packages, and then to permit other possible scenarios. Budget reforms, resources and other policies in the social dimensions of adjustment packages have to be pressed for to counter the impact for women.

Thus, active government involvement is essential to create capacity for women to benefit from liberalization in all sectors of the economy. Even if private sector delivers significant services especially by employing women in their ventures, however, when resources come from private sector, government regulation must prevent companies from exploiting their workers. The government must also intervene by sometimes giving direct and indirect support to accelerate the development process and minimize risks women suffer from economic shocks.

# CHAPTER 5. SUMMARY OF FINDINGS AND RECOMMENDATIONS

This chapter summarises the findings of the study and attempts to give recommendations to avert the problems liberalization has brought about especially on the livelihood of women. After the failure of the development strategies of the 1960s and 1970s in the Third World countries, donor agencies encouraged such countries to shift away from protectionist policies of the economy to liberalization. Liberalization involves a combination of reduced government expenditures through cuts in subsidies in social services, retrenchment, etc and encouragement of private sector activities and entrepreneurial income. Liberalization has been deemed right for developing countries to adopt if they are to develop like their counterparts in Western Europe and USA.

Thus, in Uganda,

- ➤ the government policy has been the promotion of private sector through contracting of public services, sale of state enterprises, and deregulation;
- > The market has been liberalized in which the local market is opened to greater foreign and domestic competition; and
- ➤ The public-sector institutions, civil service, privatization of state enterprises, as well as reform of the social sector are being rationalized to make them cost effective.

However, these measures have had various effects on different categories of people and in particular, to women, the poor and other vulnerable people as the findings indicate. Although SAPs has benefited some groups of people and contributed to overall growth, in many instances they have failed to reduce poverty among the vulnerable groups and in many cases exacerbated it. The impact of trade liberalization on women has been devastating due primarily to four factors:

- ➤ The nature of gender relations, which were overlooked in the implementation of SAPs.
- ➤ The sharp fall in real wages combined with rising unemployment
- The unequal burden that the rising cost of living imposes on women, and

#### > The reductions in public spending for services on which women rely

During the implementation of liberalization policies/ measures, women's work in the rural and urban sectors remained invisible and the multiple and complex roles women perform, marketonly oriented policies such as SAPs have had specific and negative consequences for women. The study has noted that government expenditure cuts in social services in particular education and health provisions have added an extra burden to women to generate more income to cover the new costs of these services. Given that most men lost jobs in the formal sector just as some women, meant that families had to find other alternatives to seek extra income. Government policies like retrenchment and a ban on recruitment to the civil services deceased employment in the formal sector by 47% from 244, 195 to about 130,000 in Nov.1995. 158 Since men were the dominant in this sector, as they are still to day, retrenchment for them meant their ability as breadwinners was affected. As a result, many women resorted to the informal sector to seek for survival, just as some men. That is, reduced employment in the formal sector meant increased female participation in the work force to cover up losses in household income. This situation also meant increased female hours of work. The informal sector had to undergo stiff competition due to pressure as more people sought work there, leading to declines in the possible incomes that could be generated in that economy.

Although liberalization has aimed at raising agricultural prices, with the highest rises for export crops, women have not benefited as much in the sector as a whole, because women specialise in lower price items, they lack access to essential inputs, such as fertilisers, and technological advice through extension officers, to improve and increase on their produces. On the other hand, increase in export sector means employment for people engaged in it, for women however, although they are heavily employed in the production of agricultural exports (80% of women's labour is spent in agricultural production), there wages have remained low. That is, the adjustment process may increase employment in this sector, but without increased wages for women. Where liberalization of the economy has probably improved women's position in the agricultural production, their earnings have been less than men who specialise in export crops. This is because men own the land with relatively better capital, and knowledge of markets. Besides, changes in credit reforms and administrative reforms have had

<sup>&</sup>lt;sup>158</sup> New Vision, May 1, 2000; 19

little impact on women, who were not beneficiaries of the unreformed system, but are not beneficiaries either.

Women as homemakers have been badly affected by liberalization. They have been reduced to subsistence, and consequently imposed increasing demands on women's time, as consumers, as they shop more often and spend more time trying to stretch their income to meet the subsistence needs of the family. Many of them have been forced to join the informal sector in order to meet the educational and health needs of their families, since liberalization has been characterised by fundamental changes to the extent that most men, who find it hard to fulfil their role of breadwinner abandon the family. Others have sought to sell their labour as casual workers, self-employed or petty traders. Most significantly, women took up trading due to its low capital requirements and because of the ease of entry and exist in the informal sector. Women are now equally handling school fees payment that was traditionally a men's responsibility.

Besides working as casual labourers, low capital investment for women implies that they are unable to expand their business; domestic responsibilities in addition to engaging in income generating activities will continue to affect their workload; being semi-illiterate or illiteracy implies less secure jobs, crowding in low skilled jobs as well as low wages; and thus, persistence inequality in access to credit facilities.

Hence, instead of appropriating people into meaningful employment due to the various opportunities created by liberalization women have not been able to benefit like men. Liberalization policies have favoured only those with massive capital for investment especially foreign multinational investors. The remaining poor had to cope up either by engaging in informal business activities or being employed by big business enterprises as casual labourer for little wages. Those whose wages are likely to be reasonable will depend on the level of their education and skills.

Liberalization has also increased women's role as social organisers that is, as local social organizations they have taken over some of the functions previously fulfilled by the state, and have acted collectively to contribute to their mutual survival, through Non-Governmental Organization. Overall, there has been a marked deterioration in the conditions women face with respect to each of their major functions in most countries undergoing liberalization aspect of the package. However, from the various informal trading women

engage in, they create and/or are capable of creating wealth where there is none. They promote growth by investing their meagre capital in any business ventures that may help them take care of their children as well as their needs. Although their incomes are meagre, their involvement in the informal sector gives them some level of autonomy to have access and control over their own incomes, than when they lived with their husbands. With such potentials, liberalization policies to benefit women in Uganda, and other vulnerable groups require a thorough analysis of gender relations starting from the household, community and national levels.

## 5.1. Theory and practice

The current global liberal political and socio-economic perspective that is felt, in almost all countries, is the result of the influence of the West, especially USA. Through the global institutions of World Bank and IMF the USA imposes its liberalization policies. The doctrines of liberalism are a requirement as a guide to reforms in developing countries' socio-economic and political agendas. As a framework through which global crisis are viewed and addressed, the perspective has led to positive as well as negative effects.

This study examined the effects of trade liberalization on women in Uganda. Tracing its origin from the liberal philosophy, liberalization, which has been felt through macroeconomic reforms in many developing countries, had far reaching effects on the livelihood of the people in Uganda, in general and women in particular. Accordingly, trade liberalization induces more productive firms to increase their investments as well as attract other competitors in the market. As the government abdicates more of its responsibilities to private investors, it is hoped that more jobs will be created for the people and competition among firms will lead to productivity. Another key aspect in this study was liberalization will benefit more of women who have been left out of trade. Liberalization of export and import sectors is deemed to expand and hence lead to growth to the countries GNP.

Thus, liberal social and economic changes in Uganda as this study revealed have led to an increase in the number of private indigenous and foreign investors. This in its turn, led to job creation, although a majority of women had no fair share of these jobs due to illiteracy, poverty, etc. Competition in trade has intensified and hence people had to identify all means possible to see that they continue trading. Those who cannot afford to compete are usually edged out and have suffered serious repercussions, while others have sought shelter in the informal activities. Retrenchment and reductions in government subsidies to social services

such as education and health care has meant that the affected people have to seek for alternatives in order to continue living. This study observed the increasing number of women in the informal sector and other activities is a direct consequence of such reforms.

The increase in the amount and diversification of export and import products owes much to liberalization in the country. This has led to growth in the GNP, although sometimes the growth fluctuates due to unfavourable competition of the country's products on the world market. Despite its potential to improve the country's economic condition, using a purely liberal ideology in the country's socio-economic and political reforms has serious and disastrous effects on the people's survival strategies. Thus, although the government continues to implement liberal reforms, it still continues to maintain a certain level of ownership, control of certain strategic sectors and some degree of intervention in economic situations where necessary.

#### 5.2. Recommendation

The recommendation proposed here are twofold. Those specifically designed to uplift women's situation and those aimed to ensure the national economic situation of the country and other vulnerable groups that get benefit from the process of liberalization. If the negative effects of liberalization on women have to be averted, the following are some of the alterations that ought to be made. However, as Frances Stewart put it, the aim should not necessary concentrate on eliminating the negative effects, but to generate positive effects so that women's productive potential can fully be realised, and their welfare enhanced during the process of adjustment. 159

Women's interest and concerns should be incorporated in policies trying to avert the negative effects of liberalization, and this should be through introduction of special measures to support women in their efforts to maintain standards for themselves and their families. Provide them with some support by extending credit facilities, training in better ways of agricultural production.

In addition, when introducing changes, (in this case through liberalization) the government should ensure that such changes are gradual rather than abrupt. Abrupt changes

85

<sup>&</sup>lt;sup>159</sup> Frances Stewart,"Can Adjustment Programmes Incorporate the Interests of Women?" in *Women and Adjustment Policies in the Third World*. Edited by Haleh Afshar & Carolyne Dennis. London: Macmillan; 1992, p.35.

lead to a lot of changes in so short a period with disastrous effects on the population. Changes, which affect people's lives in this way, should be more gradual. Since liberalization policies, especially expenditure cuts in social services have fallen more heavily on women, such cuts ought to be redesigned to protect certain services and certain groups in society, for instance in health and education.

There is need to adopt what Frances Stewart referred to as structured markets. According to Stewart,

On the other hand, in terms of institutional reform to improve women's access to resources, there is need for government to avert the barriers that women suffer from legal discrimination and access to resources. In particular, there is need to reform and enforce land reforms and credit schemes to benefit the women. These reforms, however, call for government to ensure that women are included in management and operations of liberalization processes. Extension services, for instance, should move away from being male dominated and make special efforts to reach female farmers, and increase their efficiency of the programme as well as their equity. Reforms in female education, is also significant to bridge the gaps that are caused due to illiteracy among women to enable them participate effectively in trade and markets.

Besides the above measures, in order for the majority of poor people and the country at large to take advantage of new opportunities for trading when they arise, the first step is to consider the differences in people's capacity to trade, rather than presuming that opening markets will have similar repercussion on everybody. Poor people's capacity, in general, to trade needs to be seriously enhanced, which should involve:

- > An effective construction and reconstruction of infrastructure, including roads and public transport facilities in rural areas as well rail road
- Ensuring effective financial institutions willing to extend credit facilities to the poor and vulnerable group. Bureaucracy should also be lessened to ensure that those who seek credit facilities do not take long to get it.

- Farmers and trade unions should be strengthened and allowed to operate in a free environment that enables them to negotiate for the marginalised
- ➤ Communication infrastructure that provides relevant information on markets requirements like quality and technical standards should be made effective and efficient. The current spread of FM radio stations in Uganda as well the Norwegian Uno Phone project of distributing rural women farmers in Uganda with mobile phones to ensure communication is commendable.
- An effective and transparent legal system and institutional frameworks that support the needs of women and the poor traders should be established. The current political process of each district having a woman Member of Parliament in Uganda is a step to ensuring the above.
- An effective education system that provides access to primary education and availability of secondary and tertiary education should be set up. The current Universal Primary education in Uganda supported by World Bank is a step toward achieving that. The policy of UPE requires that every family in Uganda is entitled to send four children to school to study free, with girls given priority. Adult literacy education should also be introduced and universally given free.
- A democratic institution which ensures good governance and gives voice to the poor people's needs and aspiration in particular to women is wanting.

#### **APPENDIX**

### **Data Collection: Primary and Secondary Data**

The method of data collection was qualitative. In-depth interviews were conducted among all the respondents in the selected groups. The interview guide was used during the interview. Secondary data especially from the resource centres of the institutions where interviews were carried out was sought as well. In particular, secondary data was obtained from the Ministry of Gender, Labour and Social Development, the Departmental library of the Department of Women and Gender Studies, Makerere University. I was also given valuable information from the Uganda National Chamber of Commerce and Industry. Thus, the basis of this data is both primary acquired through in-depth interviews as well as secondary data got from documents from the institutions and organization where my research was carried out. During the data collection, I had two-research assistant who helped in translation since I did not know the lingua franca spoken by the people in my area of research. The most commonly spoken language is Luganda given the fact that the city falls within Buganda region.

The Head of the Department of Women and Gender Studies, Makerere University referred the first key informant to me when I contacted the department for assistance. This informant happened to be one of the young staff in the department. His highest qualification by the time I used his services was a Masters of Philosophy in Gender and Development from the University of Bergen, Norway, and was teaching in the department. Because my first key informant could occasionally be busy and unable to attend to my schedule, he referred me to another person who happened to be my second informant. This other informant was a secondary school teacher, with a Bachelor of Arts with Education from Makerere University, Kampala. I was helped by one at a time, especially when one of the informants had a busy schedule on a particular day. Besides translating for me the questions in the local language, the informants too helped to take me around to all the places where I was to conduct my research. Both informants knew very well all the places I was to carry out my research so I did not have much to worry apart from the distance of moving from one place to the other, and also the bother of the bustle of the city. Given the congestion of the city, we normally used 'boda boda' rider to transport us to our place of research since they were faster than using taxis,

which would delay in the jam. Boda boda, is the name used for moped riders and cyclists who charge a fee to take any person wishing to travel anywhere within the city. They are faster since they are able to manoeuvre through the city car jam, although sometimes dangerous because they do not follow any traffic laws along the road. They can move in any direction of their convenience.

During the interview with the respondents, we had to cope up with the noise of the city vehicles given that some of the interview was conducted along streets and in the markets. Some people who overheard our interview with the respondents got interested, came, and listened attentively, with some interjecting in the interviews.

## Some facts about women in Uganda

Table 1

SOCIO-ECONOMIC BACKGROUND	PERCENTAGE			
Population	51			
Education				
- illiteracy level	55.1%			
- primary school	45%			
- secondary school	35%			
- technical institutions	3%			
- commercial colleges	53%			
- Makerere university	34%			
<b>Employment:</b>				
- working population	47%			
- administrative	2%			
- senior in civil service	0.05%			
Agriculture				
- food production	80%			
- planting	60%			
- weeding	70%			
- harvesting	60%			
- preparation and processing	90%			
Access to resources				
- land	97%			
-lease holding	8%			
- ownership of land	7%			

Source: Ministry of Gender, Labour and Social Development, (Uganda)

Table 1above shows the socio-economic characteristics of women in Uganda. Compared to men, a big percentage of women are illiterate, lowly or least represented in educational institutions as the table indicates. Although, women in Uganda are working, a big percentage work is less prestigious jobs, lowly represented in administrative jobs, senior positions, among others.

Agriculture in Uganda is the major economic contributors to its GNP. Women's contribution to agricultural production in Uganda is far enormous than men's. The above table indicates this. Despite this contribution, women's benefit from agriculture is low. This is due to illiteracy, lack of skills, and above all poor gender relations at the household level, community as well as national level, as will be noticed in the analysis below.

Although a big percentage (97%) of woman has access to land, very few own or have control over it. This is partly because of socio-cultural and gender factors that condition women's access to land and other vital resources.

## Category of key informants and informants interviewed

Women (and men) in civil service (NGOs)

Table 2

Position	Ass. Commissioner for Gender	Director		Chairperson		Ag. Hea	d,	Trade	and
	and Community Development					Investmen	t De	partmer	nt
Sex	Female	Female		Female		Male			
Institution	Ministry of Gender, Labour and	Uganda	Export	Uganda	Women	Uganda		Nati	onal
	social Development	Promotion Board		Entrepreneurs		Chamber	of	Comm	erce
				Association		and Indust	ry		
				Limited (1	NGO)				

Source: Field data

The above category of respondents offered information about women in the import and export sector, besides other information. It should be realised from the outset that I could not get in touch with local women exporter or importer, since as will be realised, very few of them are involved. Even getting some of the few women involved in the sector was practically impossible to locate them.

# **Informal sector**

## **Street vendors**

Table 3

NAME	Jessica	Joy	Doris	Miriam	Mary	
Age	28	26	Did not provide	23	29	
Education	Primary 7	Primary 6	Primary teacher training institute	Primary five	No education	
Marital status	Separated	Separated	Married	Single	Married	
Dependants	4 children	3 children	4 children	1 child	4 children	
Previous job	Waitress	none	Primary teacher	Second hand child clothes	Retail shop	
Current Business &duration	News paper vendor: since 1998	Newspaper vendor:	Retail shop: selling second- hand clothing	Food vendor: since 2002	Sells cooked food (makeshift restaurant)	
Amount of start-up capital	7000/=	5000/=	800,000/=	Did not provide	120,000	
Source of capital	Own savings	Former husband	Personal savings plus husband support.	Own savings	Savings from the collapsed retail shop	
How income is spent	Rent, fees, food, clothes, etc	Basic needs: rent, fees, food, clothes	- household need & reinvest in business	Basic needs: rent, fees, food, clothes, etc	Basic needs: food, fees, rent, housemaid, etc	
problems	- Taxes, items  - some times confiscated by the city council,  - Rain disrupts the business, etc.	- little capital - confiscating item by city council officers - low profits," - etc, etc.	- decline in sale during holidays - low profits	- high taxes - selling on credit	- paying children's fees interferes with her business - too much work (i.e. have to go back home and cook - Little capital and profits	
Benefits	Able to meet basic need & better off then previous	Able to meet basic need, but not satisfactorily	Able to meet what I basically want, and satisfied	Able to save at least up 3000/= a day than previous	- can afford to save 2000/= and get the basics in life	

Source: field data: the above names of each respondent are pseudonyms

**Table 3 continued** 

Name	Robinah	Gertrude	Norah	Bibian	Annette
Age	35	40	47	33	23
Education	Not available	Not available	Primary		
Marital status	Widow	Married	Widow	Widow	Married
Dependants	5 children	12 relative including children	5 children	3 children	3 children
Previous job	None	None	None		
Current job and duration	Market vendor(selling cassava) for 10 years	Market vendor	Street vendor: selling newspaper, tobacco, etc	Market trader; selling second hand clothes	Market vendor: selling second hand clothes
Amount of start-up capital	No capital: gets cassava on loan then pay after sale	None	100,000/=	150,000/=	200,000/=
Source of capital	Not applicable	Husband	Rent: she owns a house the husband left her with, hence tenants pay	Husband	Husband
How income is spent	Basic needs of children & herself	Basic needs	Basic necessities	Basic needs	Basic family needs
Problems	-Competition is high; meeting children's needs; lack of capital & work in an open place hence rain and heat affects her.	- big family which affects business; competition in business; high taxes	-Competition; customers buy items on credit; city council disallows selling any other item apart from newspapers.	- competition; government threat to ban sale of second hand clothes; high taxes	- competition; little profits
Benefits	- can afford to pay fees; cannot go hungry	- Able to meet basic needs	- pay fees; has another source of income	- can afford to meet basic needs	-husband caters for the children; am able to meet all I need

Source: field data

**Table 3 continued** 

Name	Yudah	Regina	Phoebe	Irene		
Age	55	35	45	36		
Education	n Primary		Senior 3	Secretarial school		
Marital status	separated	Single	Married	Married		
Dependants	5 children	5 children	9 children	4 children		
Previous job	Selling second hand clothes		None	shopkeeper		
Current job	Selling food	Selling raw cassava Selling cooked food (makeshift restaurant)		Selling food (makeshift restaurant)		
Amount of start-up capital	80,000/=	200,000/=	200,000/=	100,000		
Source of capital	Personal savings	Got as a loan	Husband	Husband		
How income is spent	Basic needs	On meeting basic needs of her children	On basic requirements	Family needs		
Problems	- lack of enough capital; competition; not able to pay fees; taxes are high; the plates I serve food on are sometimes stolen	- operating in the sun; competition; meeting children's needs affects my business;	customers hence	- low sales; customers not paying; taxes, etc		
Benefits	- so far I am paying for my first born in the university	Able to eat, rent and at least pay fees; attain a profit of 3000/= a day	4000/= a day	Able to meet my needs and relatively happy		

Source field data

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