

Realising our own potential

INTERVIEW WITH HE YOWERI KAGUTA MUSEVENI

PRESIDENT OF THE REPUBLIC OF UGANDA



YOWERI KAGUTA MUSEVENI

has been President of Uganda since 1986. As a university student he led a group allied with African liberation movements. When Idi Amin came to power in 1971, Museveni founded the Front for National Salvation, which helped topple Amin in 1979. He replaced Milton Obote as president in 1986, winning election to the post in 1996. He is since credited with bringing stability and economic growth to Uganda. The latest elections, held in 2006, which returned Museveni as President once again, were the first multiparty elections in 20 years.

What, in your view, are the principal benefits derived from membership of the Commonwealth, and where do you see its future direction as an effective global institution?

The Commonwealth provides a unique forum for building consensus on shared issues of concern amongst leaders in both developed and developing nations that comprise its membership. Commonwealth member nations have a combined population of over two billion people and, once a consensus is generated, this can have an immediate influence on the rest of the world.

As an example, earlier this year, Prime Minister Gordon Brown held consultations with fellow Commonwealth leaders on tackling the global financial crisis, and its impact on developing countries. He then took our proposals to the G20 meeting in London. This is an example of how the Commonwealth can be effective in crystallising ideas which can then be spread to the larger world. The Commonwealth has recently been more active on governance issues – ensuring that we work with governments which are democratically elected. In this regard we did ostracise military regimes in Pakistan and Fiji.

The Commonwealth in future should continue to pursue certain fundamental objectives, on the one hand encouraging private sector-led growth without ruling out state intervention where it is needed, and secondly, ensuring that the people are sovereign over their rulers, i.e., that governments are elected through common efforts.

Uganda hosted the last CHOGM here in Kampala. What legacy did it leave?

We emphasised the need for social transformation throughout the whole Commonwealth. We built a consensus on the necessity for equitable development. As you know, some parts of the Commonwealth are industrialised while other parts are still largely pre-industrial. It's not good, even for the developed world that Africa, as well as parts of Asia and other Commonwealth countries, are still largely unindustrialised.

There are three practical areas we can address in order to realise such social transformation. Number one is market access. When you buy what I produce and when I buy what you produce you assist me and I assist you. I'm glad to say that, on account of our previous dialogue with some of our Commonwealth partners,

that this issue has, to some extent, been addressed. The European Union and The United States have given Africa quota-free and tax-free access to their markets. Recently India, China and Japan did the same. That's what we want: mutual assistance through trade.

Secondly, through consensus, we should persuade the relevant international institutions to focus on areas that can stimulate the economies of underdeveloped countries – for instance the energy sector. You cannot run a modern society without electricity.

Finally, we should also focus bilateral aid or loans to enable crucial infrastructure like electricity, roads and railways, instead of squandering resources into peripheral areas that can lower the costs of doing business in an economy. Quite a lot of money has been offered through aid but very often that money is sub-optimally used with no significant impact.

What can Uganda contribute itself?

Uganda can help to clarify the key concepts necessary for development. There is still a lot of disorientation and lack of consensus on the necessary stimuli that can help Africa make the transition to becoming a more prosperous region. Some believe that aid will fuel growth and transformation, and so on. Learning from our experience in Uganda, we think we are getting to know what those crucial factors are.

Beyond this, we are working with the UN Security Council and the other partners to bring some solutions to certain conflict areas on our Continent. Our unique experience is that we have been able to solve some of these problems by our own means, with a little collaboration from our friends. For example, when we got rid of Idi Amin – mainly by ourselves and assisted by our friends in Tanzania, we also confronted Sudan as well as the problems of the Great Lakes, the Congo and Rwanda on our own.

The dependency syndrome is very dangerous. The ability to build our own capacity to solve problems is crucial, especially for African countries, as well as other so-called Third World nations.

How do you see the climate for foreign investment in Uganda given the current global economic situation?

Our economy is doing relatively well. Even now, in the wake of the global financial crisis, our economy is growing at the rate of 7 per cent per annum. It is our

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conclusion that the economy will continue to do well. This is because many African economies, including ours, are operating far below their potential with much more room for growth compared with Western developed economies. We are in the middle of Africa, and Africa is a continent of over 900 million people, which by 2015 will be 1.3 billion people. This represents a sizeable market that is hungry for products because the Africans have been under-consuming for such a long time.

We have also decided to concentrate on improving the basic enabling environment for business, e.g., reliable energy, transport infrastructure, and the provision of a skilled labour force. We have already been dealing with the human resource development, education for all, and we shall continue to perfect that. We are also working on regional market integration because whatever you produce needs a market. The returns in Africa are already very high in spite of the inadequacy of energy supply and other infrastructure. This is why there are great opportunities for foreign direct investment in Africa.

Energy, transport and rail infrastructure typically require significant upfront long-term investment and certain criteria must be in place to attract private sector investment. How is Uganda addressing those issues?

We shall have to work with our partners, and that's where the Commonwealth can come in, accessing all the international institutions to get enough funds for investing in infrastructure. However, we are also mobilising our own internal resources. For instance, we have set up an Energy Fund that is solely financed by Ugandan taxpayers into which we will put money each year. We are also mobilising pension funds in order to finance some crucial investments by ourselves.

Uganda is becoming – or will, in the near future become a fairly significant petroleum producer. What do you see as the associated challenges and opportunities for your country?

There are challenges in ensuring we put secure infrastructure in place and that it won't be dangerous to the environment, but otherwise I see it as an opportunity, not a challenge.

However, we must not consider that petroleum or minerals are the most important resources a country may have – they cannot be. The most important resource is the human resource. After all, there are very wealthy countries that don't have any petroleum or mineral resources. Our next most important resource in Uganda is agriculture. Agriculture is more important than minerals because one day the minerals will be finished but agriculture will be there unless, of course, the climate changes. Therefore, we shall ensure that money generated from petroleum is not only used for the present generation but also for future

generations by making sure that the money is used to develop durable capacity. For instance, to develop our hydro-electric generation to supply growing electricity demand, or supporting scientific education so that our children can become skilled enough to meet the needs of modern industrial enterprise in Uganda.

What about Uganda's political and social stability in the context of democracy and governance?

Those issues have already been addressed. We did have a lot of trouble in the past about how leaders were elected and how they were removed. In 1986 we commissioned a Constitutional Commission to produce recommendations. By 1994 we organised elections of the constituent assembly and those delegates debated and promulgated a very democratic and progressive constitution, which devolves considerable power to local government. One third of the Parliament is made up of women whose share is protected by the constitution. So there is really no basis for future instability in terms of how Uganda is governed.

We have had some serious issues with state-sponsored terrorism, because of our conflict with Sudan, but those have now been resolved by a comprehensive peace agreement.

So what is your vision for Uganda, given what you see is evolving at present?

In about 15 or 20 year's time, Uganda will be a modern country comparable to Malaysia. We are also interested in furthering the East African integration and exploring whether an East African political union would be feasible. So my vision for Uganda is for it to be a knowledge-based modern society that is an integrated part of East Africa. Some people have been talking of one government for Africa but it is my view that this is not feasible, at least not for now. Maybe we can look at that in the very long term. But, for now, we should concentrate on both economic and political integration at the regional level. F



President Museveni greets Eamonn Daly, Chief Operating Officer of FIRST, together with Muntaz Kassam, Uganda's Deputy High Commissioner to the UK