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CONTROL & CO-OPTATION

STATE INFLUENCE IN THE MARKET AND THE INFORMAL SECTOR IN KAMPALA

Anna FICHTMÜLLER

Introduction¹

It is said that the mobilization of particular interest groups is a vital component to the consolidation of democracy (Goodfellow 2017a). Thus, discovering a vibrant associational structure in the transport and market sectors in Uganda's capital Kampala seems to give hope for the development of an active civil society. Both sectors are vital to the city's economy. In a country that lacks industrialization trading, and particularly petty trading within the informal economy, has become an important source of income for a majority of Kampala inhabitants. Conservative estimates believe that there are about 200 markets in Kampala, of which only a quarter are gazetted by the Kampala Capital City Authority – KCCA (Monteith 2016 : 155).

This does not take the numerous hawkers and street vendors into account. It is equally evoked as a place for the “common man” and thus an important target for political support. The transport sector on the other hand is estimated to employ about 100 000 people; it services many more commuters on a daily basis and has a large geographical outreach - it is an important tool for mobilization (Goodfellow 2017 : 1569). Since both sectors have a political clout and are well organized into associational structures, they appear to be important counterweights, representing the interests of the employees in their industries to the government. A closer look however, reveals the proximity between past and present associations with the government through a co-optation of the leadership and – more recently – the



Aerial view of one of Kampala's taxi parks (2012) @Anna Fichtmüller

¹ This paper is a “byproduct” of a two months field research in the Ugandan capital Kampala, in 2017, supported by IFRA Nairobi. I call it a “byproduct” because the original scope of my research concentrated on the link between individual economic emergence and social mobilization. The data I refer to, has been collected through five expert interviews with two market chairmen, two representatives of associations in the transport sectors, and a KCCA official, as well as several informal discussions with workers in these sectors.

“de-democratization” of these structures by integrating their mandates into the work of the KCCA, a body controlled and appointed by the central government.

The Kampala City Council (KCC) was the body of the municipal government, approximately 80% of services were provided through the KCC. With the introduction of multipartism, Kampala became a stronghold of the opposition and the KCC has since then been governed by the opposition. In 2010 the Kampala Capital City Act paved way for the creation of the KCCA, which was widely considered as a mechanism to restrain opposition control over the city. This move dis-empowered the KCC and reduced the elected mayor to a mere ceremonial function. Instead, the management of the city became the responsibility of the executive director of KCCA, who was directly appointed by President Museveni.

This paper aims at highlighting some recurring tendencies of government control over seemingly independent bodies by combining experiences from the market and transport sectors. These strategies are basically three-fold:

1. The positioning of the associational leadership in proximity with the ruling party, the National Resistance Movement (NRM).
2. The harassment of opposition and associations not aligned with the government.
3. The personalization of politics due to intervention of President Museveni himself.

The paper then looks at the shift from KCC to KCCA and how it has brought in new dynamics in the associational landscape of these sectors, by appointing instead of electing leaders, suggesting a shift from dysfunctional associations to non-representative leadership.

Control and Co-optation

As mentioned above, the transport sector is considered an important arena for political mobilization. One of its increasingly growing branches is the motorcycle taxis, commonly called *boda bodas*. There have been several attempts by politicians of all factions to gain support from *boda boda* drivers and organize them into associations. There are about 60 associations today in the sector, which have, according to an associational representative, all come into being for political reasons:

“We have been having more than like 58 associations in the industry. But mainly, they have started then, because of politics, that is one, their own interests, their own interest of getting money from other people so that is where that people have started many associations. [...] So, these politicians, [...] they are pushing them to set an association of which it will be very easy

to get these people when they are organized. [...] According to me, they are all under political groups.”

Representative of Boda Boda 2010 (Kampala, 23.02.2017)

A journalist described how one can observe the sudden increase of these associations during the election period, as they are all competing for favors from the political parties. Beyond elections, there are about five groups that remain active. The biggest and most influential association is Boda Boda 2010, which is close to the current government, and according to its representative, is in control of *“the industry[...] and all boda bodas in Kampala.”* Other groups, such as KAMBE and KAMBA or Century Boda Boda have been created in opposition to Boda Boda 2010. KAMBE, the second largest group is said to be under opposition control. There is apparently an ongoing effort to unite all competing associations of the industry under the umbrella of the government allied Boda Boda 2010. This is being done through a call for unity, leaving *“politics”* behind, in favor of *“development”*.

“Fighting each other will not be the lasting solution of this industry. So that is the maturity that we are building now. That let us sit on a round table, you join that association which is in power, and then we resolve all the problems in the industry.”

Representative of Boda Boda 2010 (Kampala, 23.02.2017).

The proximity with NRM is equally visible in the market leadership of the non-gazetted Park Yard market, in the New Agenda Traders Development Association (NATDA). One vendor close to opposition, criticized the allegiance of their leadership to the government, to the point that they would even be hesitant to talk to people like her, knowing about her political affiliation. A representative of the association underlined the positive relationship with the government:

“The government listens to us; we created awareness through KCCA and the ministers of Kampala. [...] We are not disappointed, they are promising the best. Now we have fewer evictions, we meet on a round table.”

NATDA Representative (Kampala, 16.01.2017)

In the case of the gazetted USAFI market, no leadership elections were held but the chairman was appointed by the KCCA executive director herself, for reasons allegedly unknown to him. The good relationship proved in the end to be futile for Park Yard, as the vendors were evicted in February 2017, about one month after the interview with the NATDA chairman, in a move led by the minister for Kampala, Bety Kanya. The closing was done under

heavy police surveillance, but without any remarkable protests. This sparked allegations among the vendors that their leadership has been bought off, so as not to protest against the action. In the wake of the eviction Kampala's lord mayor and three members of parliament visited the market to show support to the vendors. They eventually got arrested by police, hinting again at the power struggle between opposition and government².

This crackdown on opposition can also be observed among the taxi³ drivers. Since 1986 the transport sector was firmly controlled by an elite, closely linked to the government, which used its position to lever several fees, but for which only a fraction was accounted for towards KCCA (Goodfellow 2017a). In opposition to these practices the Uganda Transport Development Agency (UTRADA) was created by drivers from within the sector, but its efforts yielded no results and were met with a lot of violence. It was only in 2011 when the KCCA took over the taxi business that the fee extortion decreased. At the same time however, it drastically limited the power of any existing organization. Because in 2015 a ministerial order declared the formation of any association as illegal, UTRADA has since struggled to gain clout, as they have no legal right to assemble or mobilize. Recruitment thus becomes a challenge, and many drivers fear disadvantages if they join. According to the UTRADA representative, the government put crime preventer at the taxi stages for surveillance and intimidation, who violently oppose activists within the sector. The reign of fear and the lack of capital to pay for legal fees in case of detention have made activism in the taxi sector increasingly difficult, leaving no avenues for representation other than through KCCA bodies.

By and large, within the *boda boda* sector and in the case of Park Yard and USAFI market we have seen the proximity of the main associations and the NRM government. Goodfellow, Titeca and Monteith have shown similar patterns in the markets of Nakasero and Kisekka (Goodfellow & Titeca 2012; Monteith 2016). On the contrary, the case of UTRADA shows how an organization is put under pressure if it does not follow the government line.

The tendency of replacing elected leaders with appointed managers and constraining free associations in the market and transport sector hints at a general de-democratization. This shift to more authoritarian leadership may make sense, when put in relation to the coming into existence of the KCCA.

The KCCA – a new player in town

One way of gaining political support for President Museveni among large urban informal groups, has been through presidential intervention to prevent policy changes that may be unfavorable to these groups, as long as the city was governed by KCC. For example, there have been several attempts to introduce taxation and regulation in the largely deregulated sector of motorcycle taxis, commonly known as *boda bodas*. These attempts included regulations on: the number of passengers to carry, the obligation to wear helmets and safety jackets, or to only ride with a valid driving permit. They have been stopped through the personal interference of the president (See Goodfellow 2017b : 127). The same could be observed in the market sector (Monteith 2016). The direct appeal to the president by the various informal groups provided an opportunity for Museveni to sabotage policy implementation of the city government governed by opposition, and at the same time gain support among these groups. Goodfellow and Titeca observe:

“Although the city government was formally empowered by decentralization, it was at the same time disempowered by underfunding, the privatization of many of its functions and – above all – the constant intervention of central government.”

(Goodfellow & Titeca 2012 : 266)

Being able to call on the president and have him act in their interest was thus an important political capital to have, and yet another reason to foster close links between the associational leaderships and the ruling government.

With the creation of KCCA however, the strategies needed to be revised. Contravening unpopular policy decisions is not an option anymore, if the president does not want to discredit his own executive body. Certainly, the president's influence can still be seen in the city; for example, in the run up to the 2016 election, street hawkers were allowed on the street, despite previous severe crackdowns by KCCA. This is believed to have been a campaign strategy, to gain voter support. The fact that regulations of street hawkers continued as usual after the election supports this contention. He may still receive interest groups to present their stakes, but action does not necessarily have to follow, as in the case of UTRADA. After calling for a strike in protest of “*multiple taxation*” through KCCA, President Museveni met with the UTRADA leadership and KCCA, ordering the authority to stop illegal fees, however the charging continued. The UTRADA representative assumes that the President is not genuine:

² “Row at Kila Park Yard: Lord Mayor Lukwago, MPs arrested”. *The Spear*, 22.02.2017. Accessed December 14, 2017. Internet link.

³ The minibuses used for public transport are called “taxis” in Uganda, whereas regular taxis are referred to as “special hire”.

“because, in my knowing, if the president says so, it is an order, I think he is calling them [KCCA] back after we have gone, says ‘You leave it!’”

However, interference has decreased, which has gained KCCA the reputation of being an efficient organization, particularly among middle and high-income earners in the city. Yet, the question remains, how is discontentment being addressed? For one, it seems to be the opposition who tries to have a political gain out of KCCA regulations, as seen in the case of the Park Yard closure.

As the eviction of the Park Yard vendors has shown, their scope of action is nevertheless much more limited. Secondly, the de-democratization as implemented by KCCA results in the closing of space for voicing discontent. Through the direct appointment of market leaders and transport committee members the KCCA is able to choose leaders in the guise of the ruling party, who are not accountable to those they are supposed to represent. Closing down associational structures additionally limits the capacities of the workers and vendors to mobilize against legislation they deem unfavorable and thus diminishes their possibilities to voice discontent. In return, an increase in small, localized riots over the past ten years can be observed; it remains to be seen whether the shrinking space fostered through KCCA hegemony will further exacerbate this tendency.

Conclusion

While organizations representing group interests are usually seen as a positive sign of democratic consolidation, the example of Uganda has shown that they can also have detrimental effects. The proximity of the leadership to government, even though vital in personalized politics to guarantee a good connection with high ranking politicians, compromises the ability of the management to act on behalf of their members. This is exacerbated if the leadership receives personal gains, such as gifts or handouts⁴. Coupled with repression of opposing points of view, the politics of the “carrot and the stick” widely used by the NRM government can also be observed in these sectors. In that light, the shift from dysfunctional to no representation, as a result of KCCA hegemony, gives little hope that workers in these sectors will be sufficiently heard in the debate on the development of the city.

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Anna Fichtmüller is a PhD candidate at Sciences Po Bordeaux. In her research, she questions the nature of the emerging African middle classes proclaimed by international consultancy firms, and actors like the African Development Bank. Through interviews with members of these so called middle classes in Kampala - Uganda, she first tries to describe what uniting characteristics - beyond being in the same income group- might exists among these groups, and to see if there is any evidence that they might act as proponents for a more democratic government, as is sometimes suggested.

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⁴ The tendency to “buy off” leaders can not only be observed in the sectors mentioned above, but also among other trade unions, as the recent case of the abrupt ending of the strike of the Makerere University Academic Staff Association (MUASA) has shown and in the wider spheres of society, for example among religious leaders (see Fichtmüller 2014).