

A REPORT OF THE CSIS
AFRICA PROGRAM

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ASSESSING RISKS TO STABILITY

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AN INTRODUCTION TO THE SERIES

This report is part of a series examining the risks of instability in 10 African countries over the next decade. The 10 papers are designed to be complementary but can also be read individually as self-standing country studies. An overview paper draws on common themes and explains the methodology underpinning the research. The project was commissioned by the U.S. Africa Command (AFRICOM).

The recent upheavals and revolutions in the Middle East and North Africa reinforce the value of taking a hard look at underlying social, economic, and political conditions that have the potential to trigger major change and instability. Few observers predicted the events that have unfolded with such speed in Egypt, Tunisia, and Libya since the turn of 2011. But a close analysis of the underlying fault lines in those countries may have offered some clues, uncovering a range of possibilities that would have given U.S. policymakers a head start in framing responses and devising contingency plans. Similarly, an examination of political crises and conflicts in sub-Saharan Africa, such as postelection violence in Kenya in 2007–2008 and the presidential standoff in Côte d'Ivoire in 2010–2011, uncovers patterns of behavior, common grievances, and social dynamics that can help inform assumptions about other countries on the continent. The purpose of these papers is to delve below the surface of day-to-day events and try to identify the underlying structural vulnerabilities and dynamics that help to drive and explain them.

The papers in this study are not meant to offer hard and fast predictions about the future. While they sketch out some potential scenarios for the next 10 years, these efforts should be treated as thought experiments that look at how different dynamics might converge to create the conditions for instability. The intention is not to single out countries believed to be at risk of impending disaster and make judgments about how they will collapse. Few, if any, of the countries in this series are at imminent risk of breakdown. All of them have coping mechanisms that militate against conflict, and discussions of potential “worst-case scenarios” have to be viewed with this qualification in mind.



UGANDA

Joel D. Barkan¹

Key Stress Points

- The greatest long-term threats to Ugandan stability are linked to the decisions that will be made by President Yoweri Museveni about whether to run again or leave office in 2016. Either course, including a mismanaged or challenged succession process, would have the potential to cause major instability.
- In the meantime, Museveni's patronage-based regime is likely to come under growing strain if the economy contracts, inflation remains high, and the Ugandan government cannot reverse its declining record at providing basic social services to its citizens. The regime is hoping that oil exports will provide the revenue to sustain its network of support; but if production does not begin soon, the political coalition on which the regime is based may begin to fracture.
- In the short term, the most likely trigger of instability in Uganda would be a large-scale civil conflict in neighboring South Sudan or a reigniting of Sudan's civil war. Violence would likely provoke a Ugandan military incursion into South Sudan to restore order, and could lead to a refugee crisis in northern Uganda.

Overview

For much of its postcolonial history, Uganda has provided a textbook example of so-called big man rule. The regimes of Milton Obote and Idi Amin were brutal and highly personalized; loyalty was extracted by force or financial inducements. Yoweri Museveni promised something different. Upon seizing power in 1986, he and his National Resistance Movement (NRM) established a measure of peace, political stability, and economic growth in Uganda unmatched by his predecessors. He was feted by Western leaders, including then-U.S. president Bill Clinton, as one of the “new leaders of Africa.” Yet 25 years later, Museveni has failed to break the mold of Ugandan politics.

1. Joel D. Barkan is professor emeritus of political science at the University of Iowa and a specialist on issues of democratization and governance across anglophone Africa. He has held advisory positions for the U.S. Agency for International Development (USAID), the World Bank, and the National Democratic Institute for International Affairs and is currently a senior associate with the CSIS Africa Program. He has long-standing expertise in Ugandan politics and society, informed by multiple visits to the country during the past two decades. This case study is based on careful analysis of policy and academic documents, including the Afrobarometer, results from the 2011 elections, and reports by USAID, the World Bank, and Human Rights Watch, as well as a select but continuous reading of the Uganda press. The author conducted interviews with leading journalists, politicians, party officials, military leaders, leaders of nongovernmental organizations, and representatives of the international donor community during a five-day visit to Uganda in December 2010.

There is a veneer of democracy, marked by regular elections, the most recent of which resulted in a resounding victory for Museveni and the NRM in February 2011, yet one achieved on an unlevel playing field. Uganda's government is in essence an authoritarian patronage-based regime, albeit one that can still count on considerable yet tepid support from a population for whom the memory of war and civil conflict is still fairly recent.

This style of governance has major implications for the future stability of Uganda. Its highly personalized nature means that the stability of the country is to a significant degree tied up in the personal position of Museveni himself. For the moment, his position seems secure. Bolstered by his election victory, he retains firm control of the state apparatus, including the army and police. The political opposition is disorganized and underfinanced, and its efforts to rally social protest against the government have been dealt with severely. However, a difficult political transition is looming. The big question is whether Museveni will run again for a fifth elected term in 2016, when he will be 73 years old. If he does decide to step aside, the question of who will be his successor and how the succession will be managed will be a potential flashpoint for unrest. Indications suggest that he may be lining up his eldest son, Muhoozi Kainerugaba, to take over. However, such a decision would likely not go unchallenged within the NRM, and could split the party.

In the short to medium terms, the task of political management is likely to become increasingly difficult for Museveni. His approach to governance is based almost entirely on the dispensa-

Corruption by government officials from the top to the bottom is clearly increasing, resulting in a decline in social service delivery, particularly education and health care.

tion of patronage, which requires a constant stream of revenues or opportunities for corruption to buy support and maintain loyalty. The cost of running this system appears to be rising. Corruption by government officials from the top to the bottom is clearly increasing, resulting in a decline in social service delivery, particularly education and health care. Anecdotal evidence from the recent election suggests that the price of loyalty has

shot up, with NRM candidates for the National Assembly given envelopes of cash approaching \$9,000 per person. At the same time, Museveni's access to funds that can be used to buy loyalty is being choked off. International donors, including the World Bank, which have provided more than \$600 million in general budget support annually since the early 2000s, are becoming weary of the NRM's rampant corruption and have sharply cut back on this type of aid. This has reduced Museveni's ability to buy support.

The discovery of large commercial quantities of oil in Lake Albert, in the western part of the country, has provided a potential lifeline. Museveni is counting on oil revenues to buttress his patronage network. But the task of pumping this oil for export is technically difficult, and large-scale production is unlikely before 2016 at the earliest. Given the nature of Uganda's political system, it is realistic to assume that revenues from oil will be mismanaged and will fuel corruption.

Although the long-term threats to Uganda are mostly internal, the short-term challenges come mainly from outside. The most immediate one is the potential spillover effect of instability in South Sudan, which is expected to become the world's newest independent nation in July 2011. Uganda is concerned that its northern neighbor will be unable to deal with its multiple security challenges and has drawn up plans to intervene on its behalf. A resumption of hostilities between North Sudan and South Sudan or violence between factions within the South could

destabilize Uganda, especially the northern part of the country, an impoverished region which is slowly recovering from the armed threat of the Lord's Resistance Army. The possibility of an inflow of refugees from South Sudan should not be discounted. Another potential source of unrest comes from further afield, in Somalia, where Uganda has been providing the bulk of the soldiers for the African Union's peacekeeping mission in Mogadishu. That involvement has already led to retaliatory attacks in Kampala by Islamist militants belonging to the Somalia-based al-Shabaab movement. Museveni cites Islamic terrorism as a major threat to domestic security. However, this claim is based on a degree of self-interest. Museveni is aware of the political benefits to be won from portraying Uganda as an essential Western ally in the fight against terrorism. Indeed, some observers believe that he has successfully manipulated countries committed to the defense of the Transitional Federal Government of Somalia, particularly the United States.

Uganda at a Glance

GDP per capita	\$1,200 (2010 est.)
Unemployment	Not available
Life expectancy	53.24 years (2011 estimate)
Population	34,612,250 (July 2011 estimate)
Population growth rate	3.576% (2011 estimate)
Median age	15.1 years (2011 estimate)
Urban population	13% of total population (2010 estimate)
Urbanization rate	4.8% annually (2010–2015 estimate)
HIV/AIDS adult prevalence rate	6.5% (2009 estimate)
Literacy rate	66.8% (2002 census)

Source: U.S. Central Intelligence Agency, *The World Factbook 2011* (Washington, D.C.: U.S. Central Intelligence Agency, 2011).

Background

In nationwide elections held on February 18, 2011, President Yoweri Museveni and his ruling party, the NRM, were returned to office by an overwhelming majority of the vote. In an election that was “free” but not “fair,”² the president trounced his nearest rival, Colonel Kizza Besigye, receiving 68 percent of the vote to Besigye's 26 percent. The NRM won 71 percent of the 312 directly elected

2. A “free” electoral process is one where fundamental human rights and freedoms—such as freedom of speech and assembly—are respected. A “fair” electoral process is one where the playing field is *reasonably* level and accessible to all electors, parties, and candidates, and where the election commission carries out the administration of the election, including the tabulation of the vote, on a nonpartisan basis. By all accounts, the 2011 elections were markedly “freer” than those in 2006—but not “fair.” Museveni and the NRM outspent the opposition by several orders of magnitude and dissuaded independent radio stations from running advertisements for opposition candidates. This was particularly true with respect to Museveni's principal opponent for the presidency, Kizza Besigye.

seats in the National Assembly.³ This was the third time Museveni defeated Besigye, having also beaten him in 2001 and 2006. The elections were the fourth round of presidential and parliamentary polls held since competitive elections resumed in 1996, and the second held under multiparty rules.

Notwithstanding its regular elections, Uganda is not a democracy but a “hybrid” regime in which elements of democratic practice mask authoritarian and personal rule.⁴ After 25 years in power, the Museveni regime is becoming increasingly autocratic and repressive, raising doubts about its stability over the long term.⁵ With no

Notwithstanding its regular elections, Uganda is not a democracy but a “hybrid” regime in which elements of democratic practice mask authoritarian and personal rule.

real prospect of securing power via elections in the near term, elements of the opposition may resort to protests that could turn violent. Like Tunisia, Egypt, Libya, and other countries with regimes that have recently witnessed violent restructuring, the Museveni regime is increasingly brittle. The potential for instability is heightened by the issue of political succession. Museveni is now 67 years old and

cannot govern forever. But in the absence of a legitimate democratic electoral process, any change of government is likely to occur by other means—either through anointment of a chosen successor by Museveni, or through the overthrow of Museveni (or his anointed successor), as has been the practice previously in Uganda. Indeed, the country has never experienced a peaceful change of government at the national level. All previous alternations of government but one have come through a coup or guerrilla insurgency.

Fault Lines and Political History

Since the colonial period, Uganda has been divided along two fault lines that have historically been the basis for political conflict. The first is the division of the country between its prosperous southern two-thirds and less-developed North. This fault line also marks the division between the speakers of Bantu languages who reside across the South and the speakers of Nilotic and Nilo-hamitic languages who inhabit the North and Northwest. A majority of southerners are also members of five ethnic groups that were once governed by traditional monarchs—most notably the Baganda, Uganda’s largest and most prosperous ethnic group, which constitutes 16 percent of the population.

3. African Election Database, “Elections in Uganda,” <http://africanelections.tripod.com/ug.html>.

4. Aili Mari Tripp, *Museveni’s Uganda* (Boulder, Colo.: Lynne Rienner, 2010).

5. These trends are documented in a series of reports by Human Rights Watch: *Violence Instead of Vigilance: Torture and Illegal Detention by Uganda’s Rapid Response Unit* (New York: Human Rights Watch, 2011), <http://www.hrw.org/en/reports/2011/03/23/violence-instead-vigilance>; *A Media Mine Field: Increased Threats to Freedom of Expression in Uganda* (New York: Human Rights Watch, 2010), <http://www.hrw.org/en/reports/2010/05/02/media-minefield-0>; *Open Secret: Illegal Detention and Torture by the Joint Anti-Terrorism Task Force in Uganda* (New York: Human Rights Watch, 2009), www.hrw.org/node/82082; and *State of Pain: Torture in Uganda* (New York: Human Rights Watch, 2004), <http://www.hrw.org/en/reports/2004/03/28/state-pain>.

A second and related fault line that shapes Uganda's politics is the position of the Kingdom of Buganda and its monarch, the *kabaka*, vis-à-vis the rest of the country.⁶ The Baganda reside in south-central Uganda along the shores of Lake Victoria, an area that includes the capital city of Kampala. In a country where 87 percent of the population resides in the rural areas (making Uganda one of the most rural societies in Africa), the Baganda distinguish themselves as the most urbanized and educated ethnic group. The Baganda acquired these advantages as the result of British colonial policy, which favored the kingdom and its people over all others. This meant that in the early years of Uganda's independence, the Baganda dominated the civil service, the professions, and business. Although their dominance today is less pronounced, a continuing political issue and the basis of political mobilization throughout the country's history has been the debate about the relative autonomy granted to the Kingdom of Buganda and other traditional kingdoms within the larger Ugandan state.

The Kabaka and Baganda political leaders have naturally tried to protect their preeminence, while political leaders from other ethnic groups, particularly leaders from the North, have tried to eliminate or reduce these advantages. The Buganda Kingdom was accorded special federal status when Uganda became independent in 1962, but this status was eliminated and the monarchy abolished, together with the other monarchies, in 1966, by the first central government controlled by Milton Obote. Obote was a Langi from northern Uganda, and the leader of the Uganda People's Congress (UPC), the largest political party during the 1960s. The UPC was basically an anti-Baganda and antimonarchist nationalist coalition consisting of ethnic groups from the North, in alliance with non-Baganda groups from the South.

Idi Amin, another northerner, ousted Obote in a military coup in 1971, and continued Obote's centralization of political authority. His government was even more repressive toward the Baganda than Obote's. A majority of the estimated 90,000 people who died during his rule were Baganda. Amin was overthrown in 1979 by the army of neighboring Tanzania after he invaded Tanzanian territory. Although two Baganda leaders served briefly as heads of the provisional government that followed Amin's ousting, Obote and the UPC returned to power via a highly flawed election in 1981 and resumed the pattern of governing Uganda as a centralized state dominated by northerners. Obote's repression of the Baganda and other areas across southern Uganda was no less brutal than Amin's. Another 90,000 people are estimated to have died during his second presidency (1981–1986). However, Obote was once again overthrown in early 1986 by his army, which was also led by and composed mainly of northerners. This army was defeated later that year by Museveni, a southerner from Ankole, and the National Resistance Army (NRA), which transformed itself into the NRM and has ruled Uganda ever since. However, remnants of the army, led by Joseph Kony, became the basis for the Lord's Resistance Army, which mounted a guerilla insurgency against the Museveni government that perpetuated the North/South divide, wreaked havoc across the North, and tied down the Uganda People's Defense Force until 2006.

The Regional Context

As a landlocked country, Uganda must maintain good relations with its neighbors, particularly Kenya, which controls Uganda's access to the port of Mombasa. Uganda's relations with Kenya and Tanzania are peaceful and cooperative; if not particularly warm, given that the political establish-

6. The Baganda people live in the land and Kingdom of Buganda and speak Luganda. Given the importance of the group in the formation of the colonial state, the British named the country Uganda.

ments of all three countries are preoccupied with domestic issues.⁷ Trade is increasing between these three countries, which were all members of the former British East Africa, but their road and rail links remain weak and inefficient. The three countries, plus Burundi and Rwanda, are seeking to revive the East African Community, though progress is slow. Further economic integration of the region, including the eastern region of the Democratic Republic of Congo (DRC), would be a major step toward both development and stability for this area that has a combined population of nearly 150 million people. Today the prospects for integration are arguably brighter than they were five years ago, because Uganda's relations with both Rwanda and the DRC have improved.

Museveni's Approach to Economic and Political Governance, 1986–2001

The ascension in 1986 of Museveni and the NRA/NRM ended more than two decades of instability and violence. Museveni was hailed by the Clinton administration during the 1990s as one of the “new leaders of Africa.” But two decades later, he increasingly resembles the old “big man” regimes that were typical across Africa during the 1970s and 1980s.

During the first 15 years of his presidency, from 1986 to 2001, Museveni established a measure of peace, political stability, and economic growth across Uganda unmatched by his predecessors. When he was in his early 40s, at the time the NRA/NRM took power, he was initially inclined toward a socialist strategy to achieve economic development. He was also a pragmatist faced with the daunting task of rebuilding a country whose economy had been reduced to subsistence levels in some areas as a result of Amin's rule and the protracted civil war that lasted from 1981 to 1986. Within a year, his government embraced the macroeconomic policies advocated by the International Monetary Fund and the World Bank.⁸ In the process, Uganda became the darling of the international donor community. Although the rebuilding of its economy began from an extremely low base, it achieved annual rates of growth of between 8 and 11 percent. Although these rates have declined to between 5 and 7 percent, the country's economy continues to be one of the fastest growing in Africa, though marked by rising inflation.

Museveni's approach to political governance was likewise pragmatic during the first 15 years of NRM rule. This approach had four components. The first was to establish an inclusive regime based mainly on support from southerners, including the Baganda. The principal mechanism was the establishment of what Museveni termed “the Movement” system of governance rather than a state based on the principles of multiparty democracy. Under the Movement system, the NRM would serve as the big tent within which all political competition would take place. All candidates for elective office would stand without party labels to be “evaluated on their own individual merit.”

7. Any visitor to East Africa is struck by the insularity of the three countries and especially the insularity among its political and intellectual class. Few stories appear in the newspapers of any one of the three about the others beyond pro forma reports of meetings among their leaders, which occur only three or four times a year. A significant exception to this trend would be Kenya's business interests, many of which have made significant investments in Uganda, such as Equity Bank.

8. Museveni's conversion and Uganda's adherence to prudent—i.e., noninflationary—macroeconomic policy is explained mainly by the advice provided to the president by Emmanuel Tumusiime-Mutebile, then permanent secretary at the Ministry of Finance, and currently the governor of the Bank of Uganda. Tumusiime-Mutebile developed an exceptionally good working relationship with a succession of local representatives of the World Bank and is reported to be the only individual who can say “no” to the president. Although he is eligible to retire, he was reappointed to another five-year term as head of the central bank in 2010.

The idea was to prevent the reemergence of parties that drew support from ethnic or regional constituencies that had torn Uganda apart.

Under the 1995 Constitution, Uganda held two rounds of presidential and parliamentary elections under the Movement system—in 1996 and again in 2001. Both presidential contests were won decisively by Museveni: the first fairly, based on high voter turnout and broad popular support for his success in restoring peace and jump-starting the economy; but the second more fraudulently, with rampant voter intimidation and rigging.

The second component of the first 15 years of NRM rule was the strengthening of key political institutions that would limit the power of the president. The National Assembly became a lively center of debate and scrutiny of the executive,⁹ while the judiciary maintained a significant measure of independence. Another promising development was the establishment of a devolved system of government at the district level. The direct election of district councils and district chairs both accommodated Uganda's smaller ethnic groups while breaking up the power of the larger groups. Devolution also shifted a measure of power away from the president.

The third component of Museveni's approach to political governance, and one designed to cultivate support for the NRM among the Baganda, was the NRM's accommodation of those ethnic groups that wanted to reestablish their traditional monarchies—provided the monarchs accepted their role as ceremonial leaders rather than as leaders with real political power. The NRM also held out the possibility of a highly circumscribed and purposefully vague form of federalism, or "federo." Under Uganda's Constitution, adjacent districts could affiliate for "common purposes." Of the five historical kingdoms, Buganda, Bunyoro, Busoga, and Toro have reestablished their monarchies, while Ankole, under intense pressure from Museveni (and himself a Munyankole), has not. None have been accorded the status of a self-governing or partially self-governing territory. Indeed, Museveni has consistently rebuffed or undermined demands for self-governing entities whose boundaries are coterminous with the former kingdoms. Not surprisingly, the issue is most salient in Buganda where its king, the *kabaka*, is still revered by a large segment of the population who are skeptical about Museveni's intentions.¹⁰

Kampala serves as something of a "Potemkin Village of Democracy"—impressive at first encounter, but not representative of the country or the regime.

The fourth component was and remains the NRM's "semitolerance" for the emergence of an independent civil society and an independent and often critical free press. Both are limited largely to the capital city of Kampala, and have little reach into Uganda's rural areas. Indeed, Kampala serves as something of a "Potemkin Village of Democracy"—impressive at first encounter, but not representative of the country or the regime. Civil society and the press outside Kampala, especially local radio stations, are under constant pressure, including pressure from the security services, to toe the NRM line.¹¹

9. Nelson Kasfir and Stephen Hippo Twebaze, "The Rise and Ebb of Uganda's No-Party Parliament," in *Legislative Power in Emerging African Democracies*, edited by Joel D. Barkan (Boulder, Colo.: Lynne Rienner, 2009).

10. The proportion of Baganda who consider themselves "royalists," however, is thought to be much lower than in the 1960s, when the kingdom was abolished.

11. Human Rights Watch, *Media Minefield*.

Economic and Political Governance, 2001–2011 and Beyond

Since 2001, the four accommodative components of the Movement system have been eroded one by one as Museveni has transformed Uganda and the NRM into an old-style system of personal rule dependent on patronage for its survival. Ironically, the decline of the system has been greatest since Uganda changed its Constitution in 2005 to replace the Movement system with one that is nominally a multiparty system—but not a democratic one. Thus, although Museveni has conceded to pressures for democratization and opened himself up to competition through institutional and constitutional change, he has at the same time stifled that competition by resorting to extraconstitutional and extralegal tactics. Although his approach to economic governance continues to be generally one of prudent macroeconomic management supported by the country’s donors, the decline in political governance has been pronounced.

Having adopted multipartyism, the NRM is no longer the “big tent” that seeks to accommodate most political factions, but rather an organization of presidential loyalists who sing Museveni’s praises. Indeed, the NRM has sought to purge those suspected of disloyalty; those who question the regime are pushed into the opposition and then harassed.¹² Given the NRM’s overwhelming majority in the National Assembly, the independence of that institution, particularly its ability to exercise oversight over the executive branch, has been undermined. The judiciary has also fallen under pressure as Museveni has replaced independent judges retiring from the bench with younger ones who will not challenge his authority.

The power and independence of the district chairs and councils has likewise been diluted as the president has created more and more districts, raising the total from about 60 in 2001 to 112 today. Museveni also created the position of the resident district commissioner (RDC), a direct appointment by the Office of the President whose job is to serve as “the eyes and ears of the president” in the district. Indeed, the RDC chairs the district security committee, a position that some RDCs used to campaign for NRM candidates and harass their opponents during the period before the 2011 elections. What was intended to be a flexible and accommodative governmental structure to manage Uganda’s ethnic diversity has been turned into a mechanism to enable the president to recentralize power in the manner of his predecessors. In the context of a multiethnic society such as Uganda’s, this tendency is likely to reduce the prospects for political stability. Civil society, as in Museveni’s first 15 years, remains largely limited to Kampala.

Uganda’s economic performance has been facilitated by the international donor community in two ways. First, during the early 2000s, Uganda received substantial debt relief through the International Monetary Fund’s and World Bank’s Heavily Indebted Poor Countries initiative. Second, Uganda became a major recipient of general budget support from the IMF, the World Bank, the United Kingdom, the Netherlands, and the Scandinavian countries. From 2002 through 2007, these direct transfers into the Uganda treasury totaled between \$600 million and \$1 billion a year.¹³ Such support has arguably increased Uganda’s dependence on foreign aid and been a major

12. One typical example would be Augustine Ruzindana, the former head of the Public Accounts Committee of the National Assembly. Following the formation of the Forum for Democratic Change, Uganda’s principal opposition party, in 2005, Ruzindana was challenged for his parliamentary seat and ultimately defeated by Janet Museveni, the president’s wife. The full force of the state along with the personal resources of the first family were brought to bear to punish Ruzindana for his independence. In a replay, Janet Museveni defeated Ruzindana again in 2011.

13. It is difficult to estimate the precise total amount of budget support, but the big providers have been the World Bank and the United Kingdom. The United States does not provide foreign assistance via budget

disincentive for the Uganda Revenue Authority to collect taxes.¹⁴ General budget support has also facilitated rising levels of corruption, and the return to “big man” rule. The result is that whereas budget support became the preferred method for aid disbursements in the mid-2000s,¹⁵ it is currently being sharply scaled back by the World Bank and other donors. Since 2008, World Bank disbursements to Uganda for general budget support have dropped from \$400 million to \$100 million annually. This has in turn put pressure on the Uganda government to search for other sources of revenue, most notably oil.

Country Assessment

Reinforcing the decline of democratic practice are two other factors that characterize the Museveni regime and undermine its legitimacy: first, the militarization of politics; and second, corruption and the challenge of “inflationary patronage.” In addition, the regime faces several economic threats and challenges that expose its fragility.

The Militarization of Politics: Roles of the Military and the Police

Museveni’s approach to governance has always included an important role for the Uganda People’s Defense Force (UPDF). Having been born of the NRA that brought Museveni and the NRM to power, the UPDF plays a role that is more than a conventional army whose purpose is to defend the country from external threats. It is also the armed wing of the NRM regime, and together with the police it has a role to play in Uganda’s internal politics. During the late 1990s and early 2000s, the UPDF was extensively involved in the eastern Congo, where it plundered minerals, clashed with Rwandan forces, and contributed to instability in the area. The UPDF also experienced a number of major scandals that were the subjects of several government commissions of inquiry involving payrolls for “ghost soldiers” and irregular procurements of military supplies. For almost two decades, the UPDF also failed to defeat the insurgency by Joseph Kony’s Lord’s Resistance Army, a failure that knowledgeable observers attributed to corruption and cronyism within the force.

Since 2005, and with assistance from the United States, including the training of key officers (e.g., Muhoozi Kainerugaba, President Museveni’s son, and James Mugira, head of Military Intelligence), the UPDF has become a technically proficient, but no less political, fighting force. And its technical proficiency has also been aided by the retirement of older officers—including those known as the “historicals,” who were with Museveni in the bush—by younger ones, many of whom are highly educated.¹⁶

The importance accorded to the UPDF by Museveni is also revealed by its structure and command. Approximately half the UPDF’s 50,000-plus soldiers consist of infantry and other basic

support.

14. The Uganda Revenue Authority has never collected more than 14 percent of gross domestic product. By contrast, the Kenya Revenue Authority collects nearly 24 percent of GDP.

15. Joel Barkan, “Rethinking Budget Support for Africa,” in *Smart Aid for Africa*, edited by Richard Joseph and Robin Gilles (Boulder, Colo.: Lynne Rienner, 2009), 67–86.

16. One example is James Mugira, director of military intelligence, who is only 40 and is an articulate trained lawyer who has also received military training in the United States.

forces. The other half—which includes the Presidential Guard Brigade, armored and mechanized units, and Uganda’s small air force—falls under a separate command known as the Special Forces, led by Muhoozi. Reports in the Ugandan press suggest that Muhoozi is being groomed by the president as his eventual successor. Other observers contend that Muhoozi is a soldier, not a politician, and that he would face considerable opposition within the NRM. Whether this is true or not, his current position, as well as his previous position as head of the Presidential Guard Brigade, underscore the political role of the military for regime maintenance. If civilians were ever to challenge Museveni’s rule in the streets, as Mubarak was challenged in Egypt or Qaddafi in Libya, or if there was a postelection crisis like that in Kenya in 2008, the response that would be expected from the army is clear. For example, in April 2011, the police and Special Forces used what most observers regarded as excessive force to break up a series of “Walk to Work” protests led by former presidential candidate Kizza Besigye to complain about rising inflation.¹⁷ Similarly, in suppressing an earlier protest against the central government in September 2009, the police burned sections of the Kabaka’s compound and shot 20 people dead. Finally, the rising levels of reported human rights abuses by the army and police suggest that both are sometimes used for purposes of intimidation rather than for defense or the apprehension of criminals.¹⁸

Corruption and the Challenge of “Inflationary Patronage”

Because the Ugandan political system is less accommodative of dissent than it was a decade ago, the regime relies increasingly on patronage to remain in power. This reliance on patronage takes two forms. First, the tolerance of corruption, especially by Cabinet ministers who use their offices

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for personal gain or own lucrative businesses on the side. The ownership of Entebbe Handling Services Ltd. at Entebbe International Airport by the president’s brother and former head of the army, Salim Saleh, and the president’s son, Muhoozi Kainerugaba, together with Uganda’s foreign minister, Samuel Kutesa, is but one example. The business holdings of Amama Mbabazi, the recently appointed prime minister and secretary-

general of the NRM, and his wife, a former head of the Uganda Revenue Authority, is another. The business interests of Janet Museveni, the president’s wife and a member of Parliament, is a third. The interconnection of business and politics in Uganda is arguably one of the most extensive in Africa, providing not only personal wealth but also resources to hand out to others to sustain the system. The level of corruption is widely regarded by both local and international observers to be at an all-time high—a finding that is not surprising for a regime that has been in power for a quarter century.

The second dimension of patronage is the handing out of both offices and cash to willing takers. During the period before the National Assembly vote in 2005 that changed the Constitution

17. Besigye was beaten up and sprayed with chemicals, leading to his hospitalization in neighboring Kenya. When questioned by the Kenyan press during a coincidental visit to Nairobi, Museveni said that his security forces had acted appropriately. Several European embassies issued public statements decrying the violence. The U.S. Embassy in Kampala was silent on the issue, but the U.S. State Department condemned it in a statement delivered on April 26.

18. Human Rights Watch, *Violence Instead of Vigilance*; Human Rights Watch, *Open Secret*.

to allow for multiparty politics and repeal presidential term limits, members of Parliament were reportedly given cash packets of 5 million Ugandan shillings, or roughly \$2,700. And before the 2011 parliamentary elections, NRM candidates were reportedly given even larger packets totaling 20 million shillings or \$8,888.¹⁹ Museveni himself was photographed on numerous occasions handing out cash at political rallies around the country.²⁰ It is very difficult to make a precise estimate of the total amount handed out by the president or by the Office of the President, but the widely quoted figure of \$300 million is not unrealistic given the magnitude of the practice.

As in Kenya a decade ago under former president Daniel arap Moi, this method of retaining power creates a situation of inflationary patronage—the need for ever-increasing amounts of money to maintain oneself in power and increasing levels of corruption to provide the required funds. In the process, the government slowly grinds to a halt, and economic decline usually follows, depleting resources for the provision of social services. Knowledgeable observers in Kampala, including senior staff of the World Bank, estimate that between 40 and 50 percent of the students in Uganda’s primary schools are now enrolled in private schools, because the public school system no longer functions; having been undercut by teacher absenteeism and bad management, the system does not provide enough places to accommodate the number of students seeking places in primary schools. A similar estimate is made about public health facilities; half those seeking medical help go to private rather than to public facilities because the latter are unable to provide services.

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One notable result of these trends is that donor enthusiasm for the Museveni government has waned as representatives of donor agencies have connected the dots between declining political governance, rising corruption, and the decline of social service delivery. Poverty reduction in Uganda, a key indicator for the donors, also appears to have stalled, although the restoration of peace across the northern part of the country has improved the prospects for economic development there. The decline of aid disbursements in the form of general budget support is one clear indication of donor concern. The lovefest between the donors and Museveni that characterized the relationships 5 to 10 years ago is largely over.²¹ Not surprisingly, the president now complains about donor requirements, and states that he looks forward to the day when Uganda can be rid of aid. It is increasingly clear that he views the possibility of large future revenues from oil as a substitute for budget support. In the meantime, his government, and particularly the Office of the President, is strapped for cash.

This in turn suggests that the regime is experiencing difficulty in meeting the rising demands for patronage and opportunities for rent seeking to maintain itself in power. The National Assembly was forced to pass a supplemental budget totaling 602 billion shillings—or \$267.6 million—in early January 2011 to keep the government running barely halfway into the 2010–2011 fiscal year. The Uganda press reported that some ministries were “broke” and unable to pay their staffs,

19. *Daily Monitor* (Kampala), January 26, 2011.

20. *Daily Monitor* (Kampala), January 16, 2011.

21. A significant exception to this generalization is the United Kingdom.

because they had already spent close to 90 percent of their original annual budgets. Others were reported not to have spent their budget allocations on ministerial operations, but had transferred their funds to the Office of the President to finance Museveni's campaign for reelection.²²

The militarization of politics and the increasing need for patronage make the regime increasingly vulnerable to three other challenges, which can be summarized under three general headings: (1) economic issues, including the slowdown of economic development and the failure by the Ugandan state to obtain sufficient revenues to meet its needs, and inflation; (2) Uganda's internal politics and the emerging question of political succession within the NRM; and (3) security issues arising mainly from external threats.

Economic Issues

Inflationary Patronage, Aid Dependency, and the Need for More Revenues

Notwithstanding Uganda's past record of economic growth, a combination of factors could slow its growth dramatically and erode the popularity of the regime. The Ugandan government is one of the most aid dependent in Africa. In 2004, 55 percent of all government expenditures were provided by the international donor community. However, the sharp cutbacks in general budget support reduced the donors' share of the budget to 26 percent in 2010. Although the government of Uganda constantly states that it intends to raise a higher proportion of the revenues it requires, it has yet to do so. Revenue collection is lax as a result of inefficiency and corruption, or some combination of the two. At the same time, expenditures by the Office of the President and the Ministry of Defense are widely thought to have risen sharply in recent years. Expenditures by both are secret and not subject to review by the Office of the Auditor General, as are those of other government agencies, which shows a complete disregard for transparency and accountability by what are most likely the two largest agencies of the government.

Expenditures by the Office of the President have clearly risen as Museveni has sought to meet the rising demands for patronage discussed in the previous section as well as the costs of running for reelection in the multiparty era in 2006 and 2011. The cost of campaigning was particularly high in 2011, because the NRM overwhelmed the opposition by blanketing the country with posters and media advertisements for three months before the elections while Museveni himself held rallies throughout the country at which he often handed out cash payouts to voters.²³ In the absence of rising revenue collection or foreign aid, this has put a squeeze on the revenues available to all other government departments. In fact, the demand for campaign finance was the principal reason the government secured passage of a supplemental budget midway through the 2010–2011 fiscal year. The supplemental budget as well as Museveni's determination to purchase \$720 million worth of fighter jets were apparently the principal reasons why Uganda failed the IMF's annual review of the country's macroeconomic policy for the first time since the NRM took power.

22. *Daily Monitor* (Kampala), January 24 and January 25, 2011.

23. In marked contrast to 2006, when Museveni's main tactic was to harass his principal opponent by engineering charges that kept Kizza Besigye in court three to four days every week, the approach this time was to outspend and outcampaign his opponents. Besigye was free to hold his own rallies, but he was constantly shadowed by the police while district based officials "discouraged" local radio stations from interviewing the candidate or broadcasting advertisements paid for by his campaign.

Given the threat posed by the costs of inflationary patronage, the regime has four choices. The first, and most difficult, is to reduce expenditures, particularly by the Office of the President and Ministry of Defense. Because the survivability of the regime depends on the patronage and security provided by these departments, any reduction is unlikely, although the immediate costs of the 2011 elections have now passed. The second is to reduce other government expenditures, although this would exacerbate the regime's declining ability to provide basic social services with the attendant loss of public support. A third approach would be to simply print money, as the Kenyan government did in the 1990s when faced with the same challenge of inflationary patronage. This would, however, totally sour Uganda's relationship with the international financial institutions, and is unlikely as long as Emmanuel Tumusiime-Mutebile, the current head of the central bank, who is often credited as a key influence in Uganda's strong macroeconomic performance, remains in office.²⁴ A fourth approach, and one that the Museveni government appears to be taking seriously for the first time, is increased revenue collection by the Uganda Revenue Authority. Whereas in the past the authority was riddled with political cronyism and corruption, its current head has been charged with improving its performance and is regarded as more aggressive than her predecessors.

For a regime confronted with the challenge of inflationary patronage, the decline of budget support poses the greatest threat, because unlike project assistance, which is tied to specific ministries and expenditures, general budget support is fungible money that can be "spread around" when commandeered by the Office of the President. The combination of rising patronage costs and the decline of budget support put a real squeeze on Museveni's approach to maintaining the regime's authority, and it is this dilemma that makes the discovery of commercial quantities of oil in Uganda and the prospect of oil revenues so tantalizing. If such revenues were to come on stream at the levels expected (i.e., several hundred million dollars per year in untied revenue), the problems posed by the dilemma of rising patronage costs and declining budget support would be solved in one stroke. This would also enable Museveni to put some distance between himself and the international financial institutions. The flow of substantial oil rents, however, is unlikely to be used to bridge the historic fault lines that have been the basis of past conflicts through accelerated economic development and the provision of social services and infrastructure to less-developed areas. Indeed, the flow of oil revenues may deepen these divisions.

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24. Tumusiime's influence may be declining as suggested by rising inflation and the weakening of the Uganda shilling by roughly 10 percent during the run-up to the 2011 elections. Some observers speculate that the central bank did resort to printing money and allowing a sudden increase of the money supply during this period. Tumusiime himself has been publically critical of Museveni's approach to the budget, and described Uganda's recent failure to pass muster with the IMF as "very humiliating" (*Financial Times*, June 13, 2011).

Oil

The discovery of oil in the Lake Albert area along Uganda's western border with the DRC is a potential windfall for Museveni and perhaps Uganda in the long term. The estimated reserves are 2.3 billion barrels, with potential production estimated to be as high as 200,000 barrels per day.²⁵ Gas production is also possible. Although test production of 10,000 barrels per day is scheduled for 2011, the start of large-scale production in commercial quantities is unlikely to occur before 2016–2017, setting up something of a race between the regime's need for oil rents and their actual flow.

Although the estimated size of the oil fields is large, the process of bringing the fields into production is fraught with a host of technical, economic, and political issues that could put the entire project on hold. Chief among these is the fact that the oil has a very high paraffin or wax content that makes it congeal into mud upon extraction at normal air temperatures. This in turn

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makes it very difficult to pump the oil any distance downstream.²⁶ A second issue is the need to construct a 600-mile pipeline from the oilfields or local refinery to the ocean port of Mombasa (or to the projected new port at Lamu). A third issue is Museveni's insistence that the extraction of oil be linked to the construction of a large oil refinery in Uganda. Whatever the final technical solutions to these issues, the cost will be immense. The question then arises whether any consortium of

international oil companies is willing to pay the costs. The three most likely candidates to form a consortium are Tullow Oil PLC of Ireland, one of the two exploration companies that identified the oil fields; Total; and the China National Offshore Oil Company. Shell may also ultimately join, but the deal is far from done given the capital costs. The World Bank has stated that it will not participate in the financing of the pipeline. Nor are other donors likely to become involved, given the Bank's experience with the Chad pipeline in the mid-2000s.

In the meantime, the Uganda government and Tullow Oil have agreed on an initial payout by Tullow of \$470 million in "capital gains taxes" to secure Tullow's long-term participation in the project as it transitions from the discovery to production stages. Whatever the final arrangement, Museveni and the government of Uganda have secured a substantial amount of untied cash—equal to about a year to a year and a half of Uganda's annual budget—at a time when they are short on funds.

Uganda's current system of governance further suggests that the country will not be immune to the "resource curse" that has plagued other African oil producers. Indeed, the Ugandan government has already refused to release any information about the nature of existing and future agreements with potential producers, citing "national security" for its lack of transparency. The advent of oil revenues will likely raise public expectations for government services in the coming decade and place additional pressures on the Museveni government for transparency, development invest-

25. Tullow Oil Website, "Uganda, Annual Report and Accounts," 2009, <http://www.tullowoil.com/files/reports/ar2009/index.asp?pageid=492011>.

26. The pipeline would have to be heated and located above ground, thus adding to its cost of construction, and environmental risk. Security issues, including the pipeline's vulnerability to sabotage, also exist.

ment, and employment generation. It may also reignite debates about federalism and the rights of oil-producing communities to a greater share in the allocation of national revenues. And though oil revenues may provide Museveni and the NRM with additional patronage resources, they are also likely to intensify political competition for control over those resources. Finally, if the oil sector becomes the focus of political and economic competition, Uganda runs a very real risk of neglecting to invest in other productive sectors like agriculture and manufacturing that ultimately will employ and benefit a far greater segment of its citizens.

Internal Politics: The Future of the NRM under Museveni

In light of the overwhelming victory Museveni and the NRM achieved in the 2011 elections, the regime appears to be on a firm footing for another five years. The opposition is weak and scattered. Kizza Besigye, the principal opposition candidate in the last three elections, has announced that he will not run again. Norbert Mao, the Democratic Party candidate and popular Acholi politician, received far fewer votes than he expected and was unable to win any significant vote in southern Uganda. For all practical purposes, the opposition must go back to the drawing board and start over.

Although the Museveni regime is stable in the short run, it faces four intractable problems that make it far less stable than it appears. The first is that when any party wins an overwhelming victory, the locus of politics shifts from the ground contested between political parties to that contested within the dominant party. In the near term, the fight will be over the succession and control of the NRM. As noted above, at this point it is unclear whether Museveni will run again for a fifth elected term in 2016, when he is 73. On the one hand, the president seems to have an insatiable desire to remain in power. On the other, he is a pragmatist who knows that he cannot remain in office forever and that the sooner he scripts his endgame, the better for him. This explains why he has placed his son Muhoozi in such a position of importance within the military. It also explains why the postelection discussion in Kampala has broached the idea of extending his current term from five to seven years, when he would be 75. Such an extended term would probably be Museveni's last, but would give him more time to engineer a smooth succession.

At the same time, Museveni faces several factions within the NRM that may create a situation beyond his control. Two other potential successors are Samuel Kutesa, the current foreign minister, and Amama Mbabazi, the prime minister and secretary-general of the NRM. Both are in their early 60s and are rich as a result of the patronage opportunities afforded to them by the regime. Both are highly unpopular with the public, and neither has Museveni's charisma or standing within the NRM. In the ideal situation, the two rivals would sit back and wait for Museveni to declare his intentions, but both, especially Mbabazi, are eager to establish their control over the party.

Many younger members of Parliament and district leaders, however, would like to see the NRM leadership pass to a younger generation. The question is, to whom? Though he is in his early 40s, the elevation of Muhoozi would largely keep power in current hands. Moreover, it is not clear that he wants the job. The emergence of another younger leader within the NRM to challenge Mbabazi or Kutesa would result in a more profound generational shift, but no prominent prospect is apparent at the present time. Political loyalties across the NRM backbench in the new Parliament are also fluid. Particularly important is the election of 41 independents to the National Assembly, 13 percent of the total, including some who were denied the NRM nomination by Mba-

bazi last July and who would like to reduce his power. It is difficult to predict the outcome of this intraparty struggle so soon after the elections, and when other candidates could emerge during the next two to three years.

The second major constraint on the NRM is the situation of inflationary patronage discussed above, coupled with the declining revenues at the regime's disposal. Notwithstanding the anticipated payment from Tullow and perhaps similar up-front "signing" payments by other oil producers, the regime is running out of resources to maintain control through the traditional patronage mechanisms it has used in the past. As noted above, commercial production—and thus normal oil royalties—is unlikely before 2016. This situation will give rise to a more fluid and unpredictable environment within the NRM. Backbenchers within the National Assembly are likely to become increasingly independent of the president as the years pass, setting up a situation similar to that which evolved in the National Assembly during the Sixth Parliament between 1995 and 2001, before critics of the regime were bought off to toe the line. New factions, some based along ethnic

lines (e.g., from the North or Buganda), could also develop within the party. Still others might break away and join the opposition if it were to coalesce into a single pan-ethnic grouping. The form of the latter, however, is impossible to predict at this time.

Third, there is now a higher level of expectations on the part of Ugandans than in the past that the regime must deliver on its promises, particularly the provision of social

welfare services, which have declined. Now that peace has come to northern Uganda, the expectations among the peoples of the North are also likely to rise. Museveni won a larger percentage of their vote in the recent elections than in the past, but this support will fade if the government fails to deliver on rehabilitated infrastructure and other promises.

The fourth problem is the declining citizen interest in the regime and its policies. The turnout in the February elections was only 59 percent of registered voters, and thus less than half of all eligible voters. This was the lowest turnout since Uganda resumed competitive elections in 1996, and down significantly from the 70 percent who voted in 2006. Voter apathy is a sign of declining popular support for the regime and appears to indicate the resignation by large portions of the electorate that there is presently no viable alternative to Museveni or the NRM.

Together, these four factors—the battle over the succession within the NRM, the decline in the resources required to maintain a patronage based regime, the expectations of the electorate, and declining popular support—weaken the Museveni regime, but will not result in its collapse. The cracks in its foundation, however, are increasingly visible.

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Security Issues

The Lord's Resistance Army (LRA)

The biggest significant change during the past five years has been the decline of the LRA and the restoration of peace across north-central Uganda. After a protracted stalemate of nearly 20 years,

and the complete disruption of life among the Acholi people in Uganda, the LRA is for all practical purposes a spent force within Uganda, although it is still active outside. The controversial Operation Lightning Thunder, undertaken in 2008 in cooperation with southern Sudanese and DRC forces and with U.S. support, succeeded in pushing the LRA's remnants into the Congo, and later into the Central African Republic—nearly 1,000 kilometers from the nearest Ugandan border. Since then, peace has returned to northern Uganda, particularly in the Gitgum and Pader districts, which were the primary areas of the insurgency.²⁷ The achievement of peace has also brought political benefit to Museveni and the NRM. Whereas the president lost the entire North in the elections of 2001 and 2006 to Kizza Besigye, he won a plurality in all northern districts in 2011.²⁸ For the first time since Museveni's ascension to power in 1986, the fault line between southerners and northerners was bridged. But rebuilding the North will be a long-term endeavor. The camps for internally displaced persons that were established to protect the local population are now empty, and many of these persons have begun to return to their homes, setting off disputes over land rights that have often become violent. The infrastructural needs across the North, especially in the areas populated by the Acholi and Langi peoples, must be addressed, along with social service delivery in other rural areas. Given the decline of governance in these sectors, the current popularity and opportunity for both the president and the NRM could be of short duration. Though rich in terms of agricultural potential, the disparity of living standards between northern and southern Uganda, and especially the disparities perceived by the peoples in the two parts of the country, remains pronounced.²⁹

South Sudan

The current situation in South Sudan is of intense concern to Museveni, the UPDF, and the government generally, with the result that the UPDF is preparing for a range of contingencies as South Sudan moves toward independence under the Comprehensive Peace Agreement. Diplomatically, Uganda is urging the government of Salva Kiir to be pragmatic in reaching an agreement with the government in Khartoum. With respect to military preparations, the UPDF expects one of four scenarios to unfold. The first is the “best case,” in which the central government of Sudan accepts the outcome of the January 9 referendum and there is a smooth negotiated separation between the North and the South. This is regarded by the UPDF as unlikely. The second is the “worst case,” in the form of an invasion by the Khartoum government into the undemarcated border area between

27. Some LRA fighters—including its commander, Joseph Kony—have returned to the DRC and move between the DRC, CAR, and Sudan, where they continue to abduct, kill, and displace local residents. The UPDF now estimates that the number of LRA soldiers is no more than 180 to 200. Others put the total at no more than 400 operating in five or six scattered groups; see Ledio Cakaj, “Lords of Disorder,” *Janes Intelligence Review*, March 17, 2011. Many are seeking amnesty in exchange for laying down their arms, but the government of Uganda has delayed or not responded to these requests.

28. Like Museveni, Besigye is a southerner from Ankole, but he won an outright majority across most of the North in 2001 and 2006 as the region expressed its dissatisfaction with the inability of the Museveni government and the UPDF to defeat the LRA. Museveni's recent plurality can also be explained by the fact that the opposition split its vote among three candidates and two northerners, Norbert Mao, a respected Acholi politician who was the candidate of the Democratic Party, and Olara Otunu, a Langi and Uganda's former representative to the United Nations who was the candidate of Obote's old UPC. Although both polled less than 2 percent of the vote nationally, both won between 10 and 15 percent of the vote in their respective areas of strength.

29. Afrobarometer, *Summary of Results: Round 4.5 Afrobarometer Survey in Uganda*, 2010, http://www.afrobarometer.org/index.php?option=com_content&view=category&layout=blog&id=26&Itemid=53.

the North and the South and a resumption of hostilities. This scenario, regarded as unlikely at the beginning of 2011, became more probable after elements of the Sudanese army took up provisional positions in the Abyei area in May. The third is an “in-between” scenario consisting of periodic raids by militia supported by the North to destabilize the South. And the fourth is an “in-between” scenario of factional fighting between the leaders of the principal ethnic groups across the South, encouraged and supported (with money and arms) by the North.

The third and fourth scenarios (or some combination of the two) are regarded as the most likely, and the most serious, because they will be the most difficult for the southern government to contain on its own. Indeed, some attacks by northern militias have already begun. The fourth is viewed as particularly serious because it would mean the emergence of civil conflict, if not civil war, within South Sudan, which could create a highly unstable situation along Uganda’s border, and would require a substantial counterinsurgency effort by Uganda if it decided to intervene to restore peace. Both “in-between” scenarios could also deteriorate into a protracted conflict of many years that could spill over into northern Uganda and undermine the recently achieved peace in that region. A spillover would also undermine the recent rise in popularity of the Museveni regime resulting from the exodus of the LRA. Of all the external threats facing Uganda, the spillover effects of a civil war in South Sudan are arguably the most serious.

Somalia

Uganda contributes about 6,000 of the 8,000 peacekeepers deployed in the African Union Mission in Somalia (AMISOM). The Uganda military estimates that AMISOM may require as many as 20,000 troops to defeat al-Shabaab and is prepared to raise its contribution.

The first question that must be asked with respect to Uganda’s presence in Somalia is why Uganda is so committed to shoring up what is widely regarded as a weak and ineffective government more than 600 miles from its borders when only one other African country (Burundi) is prepared to do the same. Is this another example of Museveni’s long-standing effort to maintain good relations with the United States, especially since the September 11, 2001, terrorist attacks and the bombing of U.S. embassies in Nairobi and Dar es Salaam in 1998?³⁰ Although the United States is deeply concerned about the prospect of an al-Shabaab takeover and is thus appreciative of Uganda’s contribution to AMISOM, Museveni’s motivation in supporting Somalia’s Transitional Federal Government is more basic than securing a quid pro quo from the United States. Indeed, on the basis of interviews with prominent military figures and others knowledgeable about the situation, it appears that Uganda would send troops to Somalia with or without the urging of the United States. Museveni and his closest advisers in the UPDF increasingly view Arabs and Islam as a terrorist threat to both Uganda and Africa generally. It is for this reason that Uganda long supported the Sudan Peoples Liberation Army in its fight for independence from the Sudanese government in Khartoum, and now willingly fights al-Shabaab, which it regards as an extension of al Qaeda. The bombings in Kampala during the World Cup in July 2010, in which 79 people died, and the alleged discovery of more than 40 improvised explosive devices in the Kampala area during the past

30. Since that time, Uganda has been arguably one of the most willing African partners in the war against terrorism. At the urging of the George W. Bush administration, Uganda passed a local version of the U.S. Patriot Act when Kenya and other African states refused. Approximately 10,000 Ugandan security guards served in Iraq, and Uganda is thought by some observers to have served as an interrogation center for the Bush administration’s tactic of extreme rendition.

year confirmed the threat in the eyes of senior intelligence officers and policymakers. As one such senior official said, “These are the same devices used in Iraq and the Swat Valley” in Pakistan.³¹

Museveni’s view of the Arab and Islamic threat may also be influenced by the evangelical Christian beliefs of his wife Janet and the strong backing of both his regime and its support to the Sudan Peoples Liberation Army by evangelical Christians in the United States. Another motivation is Uganda’s frustration with Kenya and other African states over their failure to contribute troops to AMISOM. Finally, there is the pecuniary interest. The African Union, supported by the United States and others, pays Uganda \$750 per month for each soldier serving in Somalia, of which the Ugandan government keeps \$500. Multiplied by the number of troops serving in Somalia, this sum amounts to \$36 million per year. This is a modest amount compared with the annual military assistance (up to \$200 million) that the United States provides to Uganda, or even the reduced level of budget support that the government now receives from the World Bank. From the perspective of the individual soldier, however, \$250 per month is good pay. Yet another consideration may be the fact that Uganda’s deployment in Somalia keeps the army battle-tested in counterinsurgency warfare. This is a real benefit given the probability of needing a trained and experienced force to deal with the situation in South Sudan.

Scenarios

Peace across northern Uganda, together with the results of the 2011 elections, suggest that the historical fault lines of conflict—between the North and the South, and between Buganda and the rest of the country—have been bridged in the short term. Neither the North nor Buganda posed a serious challenge to Museveni or the NRM in the recent elections—indeed, just the opposite. The possibility of a political breakdown triggered from within is therefore unlikely. Museveni’s creation of more districts may prove to be an effective mechanism for managing competing demands from Uganda’s major ethnic groups, although some form of federalism would arguably be more effective. True empowerment, or more accurately reempowerment, of district-level government would also be more effective. Given the foregoing analysis, four scenarios are possible during the next five years:

Continued Slow Decline

At present, the most plausible scenario is “more of the same,” namely, the continuation of a patronage-based “hybrid” regime of personal rule that is increasingly corrupt, undemocratic, and unable to deliver basic social services to ordinary Ugandans. Having won an overwhelming, albeit unfair, victory at the polls, Museveni and the NRM have little incentive to change their approach to governance. Museveni will continue the practice of maintaining support and buying off opponents through the dispensing of patronage; but, as argued above, this strategy has reached its limits. The marked decline of budget support from the international donor community, combined with the absence of substantial oil rents in the near term, will put pressure on the regime to improve its performance in the areas of revenue generation, financial management (i.e., limiting, if not ending, widespread corruption and rising inflation), and social service delivery.

31. Whether this report is in fact true or simply a fabrication to impress a U.S. analyst could not be determined, but at the very least it confirms the latter (i.e., that the Uganda military is fully cognizant of the U.S. preoccupation with containing terrorism).

Current pressures may therefore force the regime to become more accountable for its day-to-day operations. If the regime were to be challenged by a robust civil society with a countrywide reach or by a strong judiciary and Parliament, as it was a decade ago, the quality of governance could improve. The probability for such reforms, however, remains limited given the nature of the regime, and the fact that Museveni has sought to weaken all institutions of countervailing power during the past decade. Civil society has not yet broadened and deepened its base beyond Kampala. Uganda's free press and broadcast media are also limited largely to Kampala. Moreover, as the protests against inflation in Kampala and elsewhere in May 2011 make clear, the regime will not hesitate to resort to force when challenged by civil society in the streets. All this is a recipe for the slow but continuing decline and reversal of a once-promising recovery, whose nadir is presently unknown. More troubling is that any substantial flow of oil revenues will reinforce and sustain this configuration of poor and corrupt governance. Once one of Africa's shining lights, Uganda will have become another Angola or Equatorial Guinea.

Political Breakdown Triggered by the Spillover of Conflict in South Sudan

In the absence of an internal trigger, the probability of political breakdown in the near term is low unless there is an external trigger. Only one such trigger appears likely at the present time: instability in South Sudan, which could lead to the UPDF's involvement in defending the new government of South Sudan, and the resulting spillover of the conflict into northern Uganda. Given that the country has just emerged from two decades of civil war, an abrupt end to peace in the region could redivide it between the North and the South and pose a serious challenge to the NRM's rule. A return to conflict, however, would solidify southern and particularly Baganda support for the NRM. Although one should not rule out the possibility of a nationwide political breakdown given the declining record of the regime, this scenario is unlikely.

Political Breakdown Triggered by a Conflict over the Political Succession within the NRM

This is the most likely threat to the current government between now and the end of Museveni's current term in 2016. Although Museveni's health is apparently good for a man of his age, any sudden necessity to solve the succession issue in the short term will trigger an intense conflict within the NRM that is likely to fracture the party and thus the regime. A splitting of the NRM, especially on generational lines as younger leaders assert themselves and confront Museveni or the cohort around him, would create a highly fluid and unstable situation in Uganda, one that would most likely reopen the fault lines that have underpinned political conflict in the past. The splitting of the NRM would most likely split the southern part of the country, especially if it provided the opening for the Baganda to reassert themselves as a political force. It could also lead to a political realignment involving elements of the South in alliance with groups in the North, as once occurred 50 years ago. Even if Museveni continues as president, the issue of succession becomes more pressing with each passing year. The longer he waits to orchestrate an orderly succession, the greater the prospect for a chaotic end to the NRM regime.

Political Reform and Completing Uganda's Stalled Transition to Democracy

Though this scenario is highly desirable, because it would greatly raise the prospects for political stability, sustained development, and the permanent bridging of Uganda's fault lines of conflict, it is unlikely in the near term, because it would require a reversal of Museveni's approach to governance and progress along two or more of four dimensions. The first is the reinvigoration of Parliament and the judiciary as institutions of countervailing power. Both performed well during the Movement era, but both have been undermined since 2001. The second dimension is the reinvigoration of elected government at the district level. This would include a combination of guaranteed financing for district councils plus a renewal of their authority to impose a graduated tax as well as a halt to the creation of more small and politically weak districts. The third dimension requires the development of civil society, especially outside Kampala, as well as an end to the harassment of the press and broadcast media outside the capital city. Fourth and finally, a united political opposition would need to emerge countrywide. The probability of this scenario is also unlikely, though not out of the question. Indeed, the shift toward a younger leadership by the NRM could encourage such developments if a true reformer, along the lines of Mikhail Gorbachev, were to gain control of the NRM. The continuation of Museveni as president, especially beyond 2016 or 2018, or his succession by the likes of a Kustesa or an Mbabazi, would put meaningful political reforms, including further democratization, on hold indefinitely.

Conclusion: Implications for the U.S. Africa Command and the United States

The United States and the U.S. Africa Command find themselves in an increasingly awkward position in Uganda. On the one hand, President Museveni and the NRM are an important resource to further U.S. interests in Eastern Africa, particularly the survival of the transitional Somali government and the viability of the emergent state in South Sudan. On the other, the NRM regime is on a long-term trajectory of decline, and thus its survivability beyond the end of Museveni's current presidential term is certainly in doubt. The United States thus faces the classic dilemma in Uganda—continuing its current policy of accommodation and working with an authoritarian ally, or encouraging democratic reform to secure long-term stability. Secretary of State Hillary Clinton's address to the African Union on June 13, 2011, suggests that the United States will henceforth emphasize democratic reform, though she did not mention Uganda by name.

The United States thus faces the classic dilemma in Uganda—continuing its current policy of accommodation and working with an authoritarian ally, or encouraging democratic reform to secure long-term stability.

The United States has few direct and vital interests in Uganda. Although a breakdown of authority would retard the development of a greater Eastern Africa and though a politically stable Uganda is desirable for the survival of South Sudan, Uganda experienced extended periods of

instability in the 1960s, 1970s, and 1980s with little consequence for the states on its borders.³² Whereas Kenya is the anchor state of Eastern Africa and a platform for U.S. diplomatic, commercial, and security operations, Uganda is not. This makes the choice of the direction of future U.S. policy even more difficult. On the one hand, the United States can stand back and accept the fundamental weaknesses of the Museveni regime, knowing that any collapse will not threaten U.S. interests, or it can push harder for the reforms that are necessary to put Uganda on a long-term footing for political stability and development. The first would mean the continuation of the current policy begun under the administration of George W. Bush and carried forward by President Barack Obama. The second would entail a more aggressive and sustained push for democratization, starting first with the strong (and public) encouragement that President Museveni step down at the end of his current term, and that he revitalize or at least tolerate the revitalization of Parliament, the judiciary, a devolved government, the press and broadcast media, and civil society. The United States should also work more aggressively with the other members of the international donor community, particularly the United Kingdom, to encourage political reform by cutting off budget support. Encouraging democratic governance in Uganda will not be an easy task, especially with the prospect of significant oil rents by 2016, but it is the most rational course to avoid an eventual and perhaps inevitable political breakdown similar to that now occurring across the Middle East.

32. A notable exception would be Uganda's invasion of Tanzania in 1978, but that invasion had little impact on Tanzania except in the area of the border between the two countries.



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