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# **Presidential intervention and the changing ‘politics of survival’ in Kampala’s informal economy**

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## **Abstract**

In theory, urban governance involves non-state actors and the state working together in formally institutionalized ways to make collective decisions and provide urban services. However, in developing country cities with highly informalized economies, the processes that underpin ‘real’ governance often reflect informal bargaining power much more than formal institutional frameworks. This paper uses the case of Uganda’s capital Kampala to explore how political configurations subvert structures of city governance, with particular attention to the increasing engagement between President Museveni and particular groups of informal workers. We present empirical research on market vendors and motorcycle taxi (*boda-boda*) drivers showing how this engagement benefits both the informal groups and the president. Increased political competition has created an environment where informal groups seeking to protect their livelihoods can tactically leverage a presidential intervention in their favour, helping them evade the policies and regulations of the City Council. Meanwhile, the president has used these interventions to build support in a city that was largely lost to the opposition. These processes have progressively undermined already weak formal institutions for urban governance.

## **Introduction**

Since the 1990s, discourses of 'urban governance' have displaced earlier preoccupations with urban planning and management, reflecting an increasing recognition of the role of non-state actors in running cities on a day-to-day basis. However, conceptions of urban governance that envisage formal institutionalized interaction between the local state, private sector and civil society actors often bear very little relation to reality. The bargaining power of different urban actors – including the city government itself – often depends on political configurations that cannot be easily accounted for in normative governance frameworks. This is especially the case in developing country cities dominated by informal economies that operate beyond formal state planning. Here the desire of informal economic actors to retain some distance from state regulation, combined with the motivations of politicians seeking urban votes, can produce clientelistic linkages that severely undermine efforts to govern cities according to transparent formal institutional processes.

This paper aims to contribute to understandings of how urban governance actually operates in highly politicized urban settings through a study of Kampala, Uganda. Kampala exhibits considerable informalization of processes of urban governance, despite the fact that it has been a key site for the application of new donor creeds of decentralization, privatization and new public management since Yoweri Museveni took power in 1986. When Gombay undertook a study of urban management in Kampala in the early 1990s, he observed that formal state structures were relatively powerless because "local power struggles often subvert and reshape key issues of urban management" (Gombay, 1994, p. 86). Since that time, this trend has been perpetuated or even exacerbated, but with one particular actor not mentioned by Gombay playing an increasingly important role in this disempowering of state institutions: President Museveni himself. Decentralization and other institutional reforms intended to promote 'good urban governance' have largely been superseded by clientelistic links between the president and particular urban groups, resulting in new forms of informal city governance. Many of the city's workers increasingly secure their

livelihoods in the city's crowded informal economic sphere through exploiting their *political* significance for a president facing widespread urban unpopularity, rather than simply through bribing local officials as observed by Gombay almost two decades ago. We show how the 'politics of survival' in Kampala (Gombay, 1994) has therefore transformed as decentralization and the introduction of multiparty elections has led to the increasing personalization of politics under Museveni.

This article is based on field research by the two authors in Kampala. Author 1 spent three and a half months in the city between January 2009 and January 2010; author 2 four months between October 2010 and March 2011. Between them they have therefore traced the development of this issue over a period of more than two years. During this time, semi-structured interviews were conducted with a wide range of actors connected to the subject of research, including city government politicians and officials, national government representatives, motorcycle taxi drivers, market vendors, the leaders of associations of informal workers, journalists, and researchers. Respondents were selected through their expertise and through 'snowball sampling', in which each response directs the researcher to other experts or key informants. Attention was given to identify respondents from sufficiently diverse backgrounds.

The article proceeds by first examining some of the changing development discourses around urban governance in recent decades and how these relate to Kampala's development. We then turn to the Ugandan political system, and how its evolution since the National Resistance Movement (NRM) came to power has impacted the way politics is played out at the city level, particularly with regard to the informal economy. This is followed by two sections that examine our two case study groups – market traders and *boda-boda* (motorcycle taxi) drivers – and how they have developed informal linkages with the president and other high-level politicians in order to secure their place in the urban economy, paralysing the capacities of Kampala City Council (KCC). The final section draws some conclusions based on the preceding analysis and its relevance for other contexts.

## **From planning to governance: shifting development practices and their impact on Kampala**

Cities basically fell out of favour with the international development community in the 1980s (Rakodi, 1997; Beall and Fox, 2009). Urban planning, which had been popular in the early development decades up until the 1970s, was largely replaced by a new discourse of 'urban management' in the context of structural adjustment and the generalized distrust of the state accompanying the neoliberal turn in the 1980s. This approach envisaged a much slimmer role for government and the involvement of a wider range of civil society and private sector actors (Rakodi, 1997, Wekwete, 1997). The state was increasingly seen in an 'enabling' role with respect to city planning and government (Lee-Smith and Stren, 1991; Mabogunje, 1992), but beyond these basic points the concept was rather vague and analytically weak (Stren, 1993; Mattingly, 1994).

The problem with the urban management 'cure' in cities such as Kampala was that it did not address the core problem characterizing state planning: poor implementation. When Gombay undertook his study of Kampala's marketplaces in the early 1990s, the shift towards urban management – which was sponsored by the World Bank through its 'First Urban Project' in Uganda – was starting to be felt. What Gombay witnessed was the early stages of a transition to an urban managerial approach where the state's role had been reduced, but the proposed new partnerships and dynamic private sector actors were not yet stepping in to fill its role. He thus observed that "Urban management is going on but it is being done by the poor, not by the Ministry of Local Government or the Kampala City Council" (Gombay, 1994, p94). Part of the problem was the failure of authorities and donors to recognize that their conceptions of 'improved urban management' actually involved "highly contentious political issues" that were not amenable to technocratic, managerial solutions (Gombay, 1994, p87).

Since that time, the discourse of urban management has largely reinvented itself in the guise of 'urban governance', which attempts to go beyond technocratic managerial approaches by focusing on "decision-making about how resources are used in a sea of competing and different interests" (Pieterse, 2008, p5). In reality, however, approaches to urban governance have tended to retain

the depoliticizing imprint of the management discourse, neglecting questions of power (Beall, 1996). In Kampala, the proliferation of competing interests with a stake in urban governance has been exacerbated by decentralization, which introduced new local state actors as well various private sector ones. This multiplicity of actors is underpinned by power dynamics that have made both decision-making and policy implementation even more difficult than they were two decades ago.

Among the many actors competing for influence in this amorphous sphere of governance are those earning a living in the urban informal economy. Kampala's informal economy has grown apace, reflecting a general trend towards increasing informality on the African continent (Lindell, 2010). Notwithstanding the problems and controversies that have dogged the concept of the 'informal sector' since its inception (Bromley, 1978; Peattie, 1987; Titeca and De Herdt, 2010), it is hard to dispute that certain activities largely circumvent formal state regulation and that 'informality matters' for development (Chen, 2006; Meagher, 2010a). Moreover, Uganda in many ways represents one of the leading examples of economic informalization due to the massive growth of the 'Magendo' black market under Idi Amin and Milton Obote (Kasfir, 1983; Prunier, 1983). This period was followed by the superimposition of a neoliberal and highly deregulated model of development under the NRM (Wiegratz, 2010), which effectively allowed informal activity to continue to dominate. This has had profound implications for the politics underlying 'real governance' in the city. The next section discusses changes to Uganda's political system since the early 1990s, which have combined with this persistent economic informality to create a new 'politics of survival' on the streets of Kampala.

### **Uganda's changing political landscape: decentralization, multipartyism and the politicization of urban informality**

Alongside the changing national and international urban policy climate discussed in the previous section, Uganda has also undergone two significant constitutional shifts domestically since the early 1990s that have major

implications for Kampala's governance. First, it transitioned from a relatively centralized political system to one characterized by decentralization; and second, Uganda has moved from a system of 'no-party democracy' under the aegis of the National Resistance Movement (NRM) to a multiparty system. Both of these issues are discussed in this section.

The institutionalization of decentralization was a fundamental change after decades of political centralization under former presidents Idi Amin and Milton Obote. Enshrined in Uganda's 1995 Constitution and the Local Government Act of 1997, decentralization was a continuation of the system of local 'resistance councils' built up during the civil war (Makara, 2009) and also corresponded to the preferences of Uganda's major donors (Wadala, 2007, p41). In Kampala – which is the only officially-designated 'city' in Uganda and has local government structures that differ from rural and other urban areas – local government involves the City Council and the five City Divisions that sit below it. The NRM's decentralization programme is considered to be one of the most radical and ambitious in Africa (Hansen and Twaddle, 1998; Asimwe and Musisi, 2007). In Kampala 80% of services were devolved to Kampala City Council, to the degree that all services except national roads and secondary and tertiary education fall within its remit.<sup>1</sup>

The reintroduction of multiparty politics in 2005 brought a whole new *political* dimension to decentralization. When Museveni came to power in 1986, he had introduced a ten-point programme explicitly prohibiting multiparty politics (Museveni, 1997). Given the country's history of ethnic conflict, he argued that political parties were likely to become vehicles of ethnically-based and exclusionary political factions and instead proposed a broad-based 'movement' under the banner of the NRM; a system that came to be known as 'no-party democracy' (Mugaju and Oloka-Onyango, 2000; Carbone, 2008). In 2005, however, he gave in to ongoing pressures for a multiparty system and reinstated competitive party politics (though not before amending the constitution to allow himself to run for president for an unlimited number of

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<sup>1</sup> Interview with Raphael Magyezi, Uganda Local Government Association, 06.02.09

terms).<sup>2</sup> Candidates from the opposition Democratic Party have since dominated KCC. This, combined with the pressures of multipartyism at the national level, increased the motivation for Museveni to interfere in city politics and overturn decisions made by KCC if this was likely to boost his support among city-dwellers in an increasingly open political marketplace. In other words, a situation of far-reaching decentralization has been accompanied by central interference, rendering formal institutions of city government increasingly dysfunctional (Goodfellow, 2010). 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. Indeed, urban governance in Kampala came to look more like fragmentation and ‘ungovernance’ (Meagher, 2010a) than a system of inclusive partnerships supported by an ‘enabling’ state.

This central intervention in the city’s affairs effectively became formalized through a government bill in 2010. Since the beginning of the decentralization process, there has always been substantial overlap between the roles of the various actors at national, city and Division levels in Kampala; and conflict between bureaucrats and politicians (as well as between national and local politicians) ran very high (Makara, 2009, p252-4). In an effort to address some of these problems, the government tabled the Kampala Capital City Bill in 2009, which was passed on 2<sup>nd</sup> November 2010 with some amendments and has ushered in a radical restructuring of formal city governance. The major innovation was that it proposed disbanding KCC and creating a new Kampala Capital City Authority (KCCA) to govern the city on behalf of the central government. Overall responsibility now sits with an Executive Director appointed personally by the president. A position of ‘Lord Mayor’ still exists – elected by adult suffrage like the previous position of mayor – but with diminished and largely ceremonial powers, as the active day-to-day running of Kampala will happen through the Executive Director.<sup>3</sup>

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<sup>2</sup> ‘Uganda backs multi-party return’, BBC News, 01.08.05, <http://news.bbc.co.uk/1/hi/world/africa/4726419.stm>, Accessed 01.06.11

<sup>3</sup> In the remainder of this paper, we continue to refer to the city government as KCC, because most research was undertaken before KCCA came into being. It remains an open question as to whether the implementation of this bill will substantially change the situation in Kampala: some observers



Related to the problem of increased central intervention, the shift to multipartyism has arguably exacerbated tendencies towards personalized rule by President Museveni that were already evident (Carbone, 2005; Mwenda, 2007). Personalization of political rule can be described as a situation in which 'the connection between leader and followers is based mostly on direct, quasi-personal contact, not on organizational intermediation' (Weyland, 2001, p13). Museveni has responded to the pressures of multipartyism by frequently subverting state institutions created by the NRM, making highly populist, personalized interventions with no constitutional basis in order to enhance his appeal among particular groups (Mwenda, 2007; Tripp, 2010).

In the context of Kampala specifically, where the opposition has gained widespread support at Museveni's expense, this tendency is all the more evident. It particularly comes to the fore in the relationship between Museveni and key sectors in the urban informal economy. The informal economy plays an important role in Uganda: an ILO study found that 83.7% of urban employment in the 1990s was informal; significantly higher than neighbouring Tanzania (67%) and Kenya (58.1%) (Palmer, 2004). Moreover, the informal economy comprises an estimated 43.1% of Uganda's GNP (Schneider, 2002, p6).<sup>4</sup> According to the Ugandan national household survey of 2009-2010, about 1.2 million Ugandan households – 21% of the total households in Uganda – are engaged in informal business (UBOS, 2010). In contexts of informality, politicians effectively treat informal economic groups as 'vote banks', as these groups wield important political capital (Titeca, 2006, 2009). Indeed, 'in the transition to multiparty politics, the urban informal economy has often become a sphere of intense political competition' (Lindell, 2010, p3), which leads politicians to offer a range of favours for informal groups in exchange for votes. This is something Tendler (2002) terms an unspoken 'devil's deal': informal actors are unofficially exempted from taxation and compliance with regulations in exchange for votes.

Whether these kinds of 'deals' actually empower informal groups in any meaningful way is the subject of some debate; it also inevitably depends on

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suggest that conflict between the Executive Director and Lord Mayor will be even more pronounced than it had been between the previous players under the old system ('Challenges awaiting Kampala Authority', *The Observer (Uganda)*, 06.04.11).

<sup>4</sup> This figure is for 1999/2000.

context. Meagher (2010b) and Brown and Lyons (2010) have found urban groups to be essentially marginalized or 'captured' through their informal interactions with elites, and it is important to recognize that "Rather than being merely the prime law enforcer, the state may also suspend the law and resort to the 'state of exception', which itself can be seen as a technique of power." (Lindell, 2010, p17). Prag (2010), however, documents more successful examples of informal group empowerment, and it is clear that in some cases clientelistic 'favours' can actually go a long way in enabling informal actors to continue pursuing their livelihoods. With respect to Kampala, we document below how the ability of certain informal groups to stimulate personalized interventions by the President in their favour has been very significant for them. While these short-term favours and exemptions (which are often concentrated in the run-up to elections) are no substitute for investment in services or infrastructure, they do facilitate the survival of informal livelihoods in situations where they are being threatened by state policies and regulations.

In the next sections, we therefore document this new 'politics of survival' among groups of urban informal workers whose power as potential voters is their greatest asset. This is explored through case studies of two groups that have particularly strong political capital in this respect: market traders and *boda-boda* (motorcycle taxi) drivers. In each case we explore how they have become important players in the city, with the ability to instigate a particular form of 'devil's deal' – direct Presidential intervention – in their favour.

### **The politics of the marketplace**

There is a strong consensus in Kampala that the management of marketplaces is one of the most enduring, intractable challenges in the city.<sup>5</sup> Understanding the complex political economy of petty trade in Kampala requires attention to some of the issues highlighted above; namely the increasing involvement of private sector actors in market management (Lindell and Appelblad, 2009) and the populist, personalized politics that has come to

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<sup>5</sup>Interviews with Raphael Magyezi, Uganda Local Government Association, 06.02.09; David Mpanga, Lawyer and Buganda Minister for Research, 13.02.09

dominate the city. From 2006 onwards, a programme of marketplace privatization was initiated by Kampala's former mayor, in the interests of transforming Kampala's dilapidated marketplaces into 'modern' shopping complexes. Many of the city's most prominent markets were leased to private companies with close links to political elites, much to the annoyance of the market vendors who had elected the mayor on the basis that he would give them greater control over their own markets.<sup>6</sup> In many cases their ability to continue operating in the market was threatened, and anger about these sales was exacerbated by the fact that the planned infrastructural improvements showed no sign of materializing.

Once the scale of discontent among vendors became evident and they began to make appeals to the President for support, the central government turned on KCC, denouncing the decision to lease the markets despite the fact that in most cases the leases had been awarded to individuals close to the NRM itself. Threatened by the strength of opposition parties in the city, Museveni began to usurp the mayor's former role as the 'saviour' of the market vendors. In contrast with his earlier support for privatizations he shifted to a discourse of vendor empowerment, leading to a surge of NRM support in the markets. In 2007, the president overturned KCC's sale of Nakasero market, one of the city's largest, and gave "clearance to Nakasero Market Traders and Vendors to go ahead with their plan to redevelop the market themselves",<sup>7</sup> something that many government sources privately suggest the vendors are not capable of doing.<sup>8</sup>

Fuelled by the new electoral pressures facing him after the return to multiparty politics, his intervention into an issue that in theory is decentralized to the city government<sup>9</sup> resulted in vendor associations being re-empowered<sup>10</sup> and the NRM consolidating the support of an important urban group, both at the

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<sup>6</sup> Interviews with Erias Lukwago, MP for Kampala Central Division, 12.10.09; Aidah Kivumbi, Acting District Commercial Officer, KCC, 22.09.09; Sabiti Makara, Lecturer in Political Science, Makerere University, 23.09.09

<sup>7</sup> 'President Meets Nakasero Market Traders', 12.07.2007; state house website.

<sup>8</sup> Interview with KCC officials, 22.09.09 and 05.10.09

<sup>9</sup> Uganda's Markets Act (Article 1) states that 'No person or authority other than (a) the administration of a district; (b) a municipal council; (c) a town council, shall establish or maintain a market'.

<sup>10</sup> We recognise, however, that the empowerment of certain vendors' organisations does not mean the empowerment of all vendors, and concur with Lindell (2010, p11) on the importance of "attentiveness to power relations within associations and to the issue of whose interests such associations serve".

City Council's expense. Similar stories can be told for the city's other main markets. Kisekka market was leased to a retired army Colonel in 2007 with 'the connivance of the City Council' and a small group of connected vendors.<sup>11</sup> Again, vendors expressed their sense of betrayal by the mayor, noting that 'he came in on the side of the common man but when he got involved in certain things, this turned around'.<sup>12</sup> After a series of violent riots in the market in 2007-8, the President intervened with a directive for the market to be handed over to the vendors, persuading the retired Colonel to renounce his title deeds.<sup>13</sup>

The president also intervenes to bolster his support in the marketplaces in other ways. For example in Nakawa market, the city's second largest, he intervened not only to promote vendors' ownership of the market but to reduce the daily market dues paid by vendors to the City Council.<sup>14</sup> In the consequent surge of support for the NRM, the market's own radio station – funded by the Norwegian Ministry of Foreign Affairs since 2005 for the purposes of HIV/AIDS sensitization – was largely used for NRM propaganda. In the Market Secretary's own words during the 2011 election campaign, 'we mainly use the radio to disseminate information on the NRM, and to draw support to the NRM'.<sup>15</sup> Moreover, during the 2011 election campaigns the market Chairperson also acted as Chairperson for the campaigning team for Museveni, and some profits from the market were used for this campaigning, with the NRM promising financial rewards in the future.<sup>16</sup>

Urban market traders have therefore increasingly found ways to exploit their political capital, realizing that direct or indirect appeals to State House play both into their own desire to subvert KCC's policies and regulations and the President's desire to draw support away from the opposition. Thus despite Uganda's celebrated decentralization programme and opening of multiparty politics, most actors realize that still "there is too much power at the centre. (...) So you have to go to State House, that's where the power lies! We have systems

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<sup>11</sup> Interview, office manager, Kisekka Market, 18.01.10

<sup>12</sup> Interview, office manager, Kisekka Market, 18.01.10

<sup>13</sup> Mugenyi Surrenders Kisekka Market Land Title, *The New Vision*, 10.07.09

<sup>14</sup> Interview, Nakawa market Chairperson, 21.01.11

<sup>15</sup> Interview, Nakawa market Secretary, 18.01.11

<sup>16</sup> Interview, Nakawa market Chairperson and Secretary, 18.01.11

in place, but the real power lies with the parallel system, meaning the State House.”<sup>17</sup>

Meanwhile, particular illicit activities such as illegal night markets are shielded from the KCC’s regulations by politicians intervening to protect vendors who “claim they’re their voters, looking for survival”<sup>18</sup>. In his 1994 article, Gombay describes in detail the growth of Owino night market in the early 1990s and KCC’s failure to regulate it, as well as the large amounts of money generated from market dues that “does not appear in the accounts” of KCC (Gombay, 1994, p92). Here, very little seems to have changed. Council City bureaucrats who have tried to implement the laws banning street trading lament that “You can’t touch them: if you do, politicians immediately intervene. They say: no, no, these are our voters!”<sup>19</sup> Considerable amounts of revenue are still generated by such markets, and still do not reach formal government institutions.<sup>20</sup> In all likelihood the main change since Gombay’s time is simply that it ends up in the pockets of elected politicians at various levels rather than bureaucrats in KCC and the Ministry of Local Government. This scenario is repeated countless times across the city; there are up to seven times as many ungazetted (illegal) markets as gazetted ones. These markets are hubs of the city’s ‘real’ informal economy, yet at the same time are tacitly ‘formalized’ through systemic non-state taxation and the promise of votes, both of which ensure the vendors’ survival on Kampala’s streets.

### **The rise of the *boda-bodas***

Motorcycle taxis or *boda-bodas* are a very visible and numerous presence in Kampala: there currently are about 40,000 of them within the city and they constitute an important means of transport for the general population.<sup>21</sup> Due to their large number, they constitute a potentially significant source of taxation: in 2003, it was estimated that a tax on *boda-bodas* could raise 700 million Ugandan

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<sup>17</sup> Interview with KCC official, 19.10.10

<sup>18</sup> Interview with KCC Senior Commercial Officer A, 09.03.11

<sup>19</sup> Interview with KCC Senior Commercial Officer B, 10.03.11

<sup>20</sup> Interview with KCC Senior Commercial Officer A, 09.03.11

<sup>21</sup> The overall *boda-boda* association has 43,700 members (40,000 motorcyclists and 3,700 bicyclists). (Interview data *boda-boda* Division and overall chairpersons.)

Shillings (304,347 USD) per year (Makara, 2009, p313). The first tax on them was introduced in the financial year 2002-2003, when KCC introduced a motorcycle taxi license for all *boda-boda* drivers. The motorcycle drivers complained strongly about this tax; and in the financial year 2004-2005, in the run-up to the 2006 elections, the issue became politicized. Representatives of the *boda-boda* drivers complained of extortion and harassment, a discourse which was quickly taken over by NRM politicians who branded the tax as 'exploitation of the poor' and a deliberate move by the opposition in KCC to frustrate *boda-boda* drivers. The drivers then took their protest to the President, and with great success: on the 2<sup>nd</sup> of June 2004, the Principal Private Secretary to President Museveni sent a Presidential Directive to KCC directing them to stop collecting the tax, claiming that it had been introduced without sufficient consultation and was illegal.<sup>22</sup>

This was not the only policy measure vis-à-vis the *boda-bodas* which failed. In 2009, KCC issued a by-law stating that *boda-bodas* should stay outside the city centre; and in June 2010, a whole range of rules were introduced to increase their safety and that of their passengers.<sup>23</sup> Through all of these measures, the City Council wanted to demarcate and regulate the number of *boda-bodas*, which have been growing explosively in the city and which cause high numbers of accidents. Nevertheless, all of these measures failed: as soon as KCC started implementing them, it encountered major problems when central government actors intervened. Again, the *boda-boda* drivers protested that these measures were exploitative, unreasonable and constituted harassment; they successfully took these issues to State House, after which pressure on KCC from the president or his associates made sure these policies were no longer implemented. Consequently, despite years of attempts by KCC, *boda-bodas* are among the only urban workers not paying any taxes at all to the City Council, and hardly following any formal regulations.<sup>24</sup>

What prevents the City Council, which is in strong need of resources and manages to collect some revenues even from the market vendors, from

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<sup>22</sup> 'State House stops tax on *boda-boda*'. *The New Vision*, 03.06.04.

<sup>23</sup> The measure obliged the *boda-bodas* to have two helmets, two reflective jackets, gloves, and a driving permit.

<sup>24</sup> Interview with Aidah Kivumbi, Acting District Commercial Officer, KCC, 22.09.09

implementing these basic measures? On the one hand, urban informal transport workers do possess a certain collective power related to their sheer number and the service they provide: when they go on strike, urban transport is thrown into chaos as much of the city population depends on them. The *boda-boda* industry is also viewed as “a good source of employment for many unemployed and unskilled youth”.<sup>25</sup> Related to this, there is the fear that if forced out of the industry they might be drawn into other, more dangerous, activities. As uneducated, low-skilled men, they might easily become implicated in criminality or rebellion; not an unfounded concern in Uganda, with its long history of rebel movements.<sup>26</sup> On the other hand, the most important reason for KCC’s inability to implement these measures relates to the political conflicts mentioned above. The central government is engaged in a struggle to maintain some degree of support in urban areas dominated by the opposition, and urban informal groups such as the *boda-bodas* are able to play an important role in this, as they constitute important political capital. As a *boda-boda* chairperson argues: “For the politicians: we are important! We are political capital! If you need someone to chant, if you need advertisers, you just call us. We can market persons, we can teach about these persons! (...) And we are too many! We can mobilize a big number!”.<sup>27</sup>

Moreover, there seems to be a consensus that this is a particularly active voting group.<sup>28</sup> Whereas many other (educated) groups have lost interest in the voting process, this is not the case for most urban informal groups involved in petty trade and transport. The president has also been undertaking various other measures to draw the *boda-bodas* to his side: for example, press reports claim that State House officials purchased 120 *boda-boda* motorcycles which were

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<sup>25</sup> Minister of Finance, cited in ‘Bbumba defends boda boda tax’, *Daily Monitor*. 24.06.10

<sup>26</sup> As one boda chairperson summarizes: “Bodas, they are youth: they don’t have any other employment. So when they don’t have any other employment, they might go to the bush. They might create trouble if there’s nothing else. It’s easy to bring someone to the bush! Someone says: so you’re here idle, the government is not giving you any job, what are you doing here, and so on.” (Interview, boda boda Division chairperson, 17.10.10).

<sup>27</sup> Interview Boda Division Chairperson, 17.10.2010. Another boda drivers summarizes this as “Politicians, they use us! We are a very big vote! I have many customers, I have a wife, I pay for my brother’s school fees, all these people listen to me!” (Boda boda stage chairperson interview 17-10-10).

<sup>28</sup> Interview data government officials, politicians, journalists, researchers, boda boda drivers, market vendors 2010-2011.

distributed to the drivers through micro-finance institutions.<sup>29</sup> According to the Boda Division Chairperson, the actual number is even higher: they claim that State House has given 500 motorcycles as a soft loan through the *boda-boda* umbrella associations.<sup>30</sup> In addition, according to some *boda-boda* chairpersons the government has formed micro-finance associations for the *boda-boda* drivers and rents an office for them. The NRM increased these interventions (in cash or in kind) in the run-up to the 2011 elections and even afterwards during the protests that shook Kampala in April-May 2011, when Museveni opened a new savings and credit organization specifically for *boda-bodas* in order to placate them.<sup>31</sup> All these interventions have taken place despite a constitutional framework in which the responsibility to organize (and right to tax) urban public transport sits clearly with the local, not national, government.<sup>32</sup>

## Conclusion

In this paper we have shown how Uganda's changing political and institutional landscape has created new opportunities for urban informal groups to exert their influence. The intensification of political competition has been accompanied by personalized presidential interventions (Tripp 2010), which increasingly subvert formal structures of decentralization. In this context, being part of a group that 'matters' to the president gives urban dwellers enhanced leverage to pursue their livelihoods unhindered by urban policies and regulations. Through their sheer numbers, their centrality in the urban economy and their youth – which links to an underlying threat of potential of violence – these groups have made themselves 'matter'. In the early 1990s, 'survival' in Kampala meant coming to informal, behind-the-scenes agreements with local authorities, enabling both informal economic actors and local officials to secure extra income illicitly in the context of very low formal sector wages (Gombay, 1994). This has changed: the new 'politics of survival' is rather about attracting the attention of State House, which has proved to be relatively easy and effective

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<sup>29</sup> *Sunday Monitor* 13 June 2004 cited in Makara 2009: 314

<sup>30</sup> Interview Boda Division Chairperson, 17.10.2010.

<sup>31</sup> NTV Uganda report, 20.04.11. (<http://www.youtube.com/watch?v=g-bcgnlmfeo>)

<sup>32</sup> This is codified in the Local Government Act (1997) and Kampala Capital City Act (2010)



and therefore has become a central tactic in popular efforts to block the city government's attempts to regulate and control urban space. The 'politics of survival' in Kampala has therefore become 'nationalized' in the sense that national-level politicians, and especially the President, regularly engage themselves at the local level and in ways that reinforce the acceptability rather than the illegality of informal economic activities.

These developments shed light on the realities that lie behind conceptions of 'urban governance'. While it is certainly true that many actors beyond the city authorities are involved in governing the city, these are not always the actors envisaged by formal governance models. Moreover, it is not only the President who has capitalized on his link with these urban informal groups: the groups themselves have manipulated it in various ways and benefitted from it, raising questions about power dynamics involved in actual urban governance practices. While in some cases informal linkages between urban economic groups and politicians are characterized as political co-optation and 'capture' (Meagher, 2010b), here it seems that the urban groups have done much of the 'capturing' themselves, securing political capital and presidential attention for their own ends. In a context where the city's broader development has long been largely ignored by the central government (Goodfellow, 2010), these groups have made themselves important players in the city, with the ability to instigate Presidential interventions in their favour.

The benefits of these interventions may be short-lived and are ultimately a poor substitute for gaining formal institutional recognition and support, but they do allow vast numbers of informal actors room for manoeuvre to continue pursuing livelihoods on the city streets. Whether these developments are beneficial for the urban population as a whole and the city's broader development is another matter entirely. This 'politics of survival' has led the government in many respects to abandon attempts to win the favour of people in the city through effective service delivery, which seems more remote than ever because most presidential interventions actively deprive the City Council of much-needed revenue. As a result of these practices, formalized institutionalized interaction between the different layers of government, private sector and civil society has little impact on urban governance. The bargaining power of different

actors is instead constituted through the highly politicized 'real' urban governance at play, and while both the informal economic actors and the President benefit from these processes, they have further debilitated an already weak city government.

Engagement between informal actors and political authorities does not, however, need to have a negative impact on urban governance. Previous research has shown that "it is possible to combine support for the informal economy with having a vital and well-managed city" (Lund and Skinner, 2004, p.441). A variety of mechanisms are possible for 'mainstreaming' the informal economy, for example through the creation of specific committees at different levels of government and in different areas of the city (Dias and Gama Alves, 2008; Lund and Skinner, 2004). Crucial in these mainstreaming processes is the capacity of both the city government and the informal worker's organizations, which can be fragile, unrepresentative and opportunistic (Lund and Skinner, 1999), as well as lacking collective voice (Motala 2002). Overcoming these challenges in Kampala would require the central government to commit to supporting institutionalized interaction between informal organizations and the local authorities that engage with them on a day-to-day basis, rather than intervening to undermine this interaction and keep informal workers' organizations in disarray. The kinds of successful partnerships evident in some South African and Brazilian cities (Skinner and Valodia, 2003; Dias and Gama Alves, 2008) require a much more serious and credible commitment to the autonomy of city government than is evident in Uganda. Only with such commitment are shared interests likely to emerge between local authorities and informal actors that can develop into sustained local partnerships in the interests of urban development, rather than the sporadic exchange of short-term 'favours' based on national electoral concerns.

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