

SPEECH

BY

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PRESIDENT OF THE REPUBLIC OF UGANDA**

**ON THE
OPENING OF**

**THE 3RD MEETING OF THE
3RD SESSION OF THE SECOND ASSEMBLY**

**KAMPALA-UGANDA
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The Rt. Hon Speaker of the EALA;
The Rt. Hon Speaker of the Parliament of Uganda;
The Rt. Hon. Deputy Speaker;
Hon. Ministers of East Africa and other ministers who are here;
The Honourable Members of the East African Legislative Assembly;
The Hon. Members of the Parliament of Uganda;
Ladies and Gentlemen.

I greet all of you and I welcome you to Uganda. You are most welcome to your home. *Karibu Nyumbani*.

It is my pleasure to welcome you to Uganda for your session of the 1st sitting of the 3rd Meeting of the 3rd Session of the second Assembly.

As somebody who has spent more than forty years in the struggles for freedom of this area, I am quite gratified to see that the economic community of the people of East Africa was revived and has now taken shape. It is a shame that this community had been interrupted in 1977.

To show the importance of this Community, the economic Union of the people of East Africa, last year inflation went up to 14% in Uganda. This is the first time, in many years, we had inflation going up in double digits. Some people were worried about this. Myself, I was not worried because I knew that some positive factor had contributed to this rise in inflation. What was this positive factor? It was increased (greater) demand in the regional market. The market had grown, there were more people to supply. Apart from the East African market, there was the market of Southern Sudan, which was a new market because in the past that part was cut off from us but has now been opened; there was the market of Eastern Congo and Central African Republic. This expanding

market played a great stimulus role to the economy of East Africa. Demand for more food, more cement, more steel-bars (*mitayimbwa* in Luganda language) forced the prices to go up. The market was big, but the supply was not as big as the demand. Some thought that this was a bad thing. I, however, knew that greater demand was a good thing, as I have told my people here in various addresses. Some people were running around telling lies on radios, as usual. *Kama mutoto anazaliwa, wanaona ni mbaya.* The people of Uganda responded by increasing agricultural production. These high prices of food stimulated people to produce. Consequently, we got a bumper crop of maize, up to about 1.3 million tonnes.

As a result, prices have now come down and by the end of January 2010, headline inflation in Uganda came down to 8.8% from 14%; and underlying inflation (inflation without food component) came down to 5.4%. The new worry now is that the maize prices may collapse, because of the too much maize crop. The prices of maize should not come down too low. That would force many farmers to exit maize growing in the next season. The Government is taking urgent measures to cope with the situation of plenty and sustain the high production of maize and other crops. We need to do deal with the storage and processing of maize. Storage and processing will give maize a longer shelf life so that farmers do not have to desperately sell during the time of plenty. That is the problem -- when there is too much food, the farmers sell at low prices and next time they go into the production of other basic crops like cotton, cabbages, etc; crops that may have some more money, but not as important as maize. When we create and expand storage capacity and also process, they can store the grain or the maize flour and sell when the price is better. In Uganda we were trying to introduce the warehousing arrangement. This is an arrangement where somebody can put his food in the warehouse and is given a receipt; if he needs money he can go and cash the receipt and somebody

buys it. They can store the food or the maize flour and sell when the price is better.

Moreover, processing maize into flour and animal feeds expands demand. We do not have to feed only human beings; we must also feed chicken, pigs and cattle. I am sorry about the speaker, who does not eat ... I also do not eat some of those things, but I encourage them. I even do not eat fish, as you may know. In Runyankore, however, we say: "*Eziimbire akatama tezibira 'zindi kurya*". Literally, if a cow has a swollen mouth, it may not eat grass, but the cows that do not have a problem will eat the grass. So, Speaker, you do not have to worry about the pigs, somebody else will eat them on our behalf. Once maize is no longer food for only human beings, then the demand is higher. That is why I have directed the Ministers of Finance and of Agriculture to ensure that they distribute maize mills and food mixers for animal feeds all over the country. When I go upcountry, like in Sembabule, you find somebody rearing chicken saying that they must get the animal feeds all the way from Kampala; and that makes their operational costs higher. Moreover, they are growing maize in their area, so if they have a maize mill and an animal food mixer nearby, they do not have to go very far. I am glad the Minister of Finance and that of Agriculture are here; we have already talked about this, so you should ensure that it is effected.

I know you politicians are fond of democratizing power; but I think you also need to talk of democratizing maize mills, democratizing animal food mixers, as well as processing machines for the people's produce. Democratize rice hullers, let them be given to all these groups which are growing rice; and democratize juice extractors for fruit growers. That is also part of the democratic movement -- not just human rights, but also rights to a maize mill. I think the community should demand maize mills, rice hullers and juice extractors as part of their human rights. It is not only democracy, but

also economy and business. In so doing, this maize which looks much today will not be enough even for the internal demand; we shall now need to grow more to meet the internal demand of the human beings, the chicken, pigs, cows and also deal with some of the regional and international demand. The initial stimulus that led to the bumper crop was caused by regional demand. I am, therefore, standing here to salute the region for waking up Ugandans to the wealth on which they are sitting, which they do not know. They need ‘spectacles’ to see it; and the region has provided some of the spectacles. The market of Southern Sudan, for instance, has woken up many Ugandans – they have shown that you are sitting on ‘gold’ but you do not know it. All this means a bigger market.

Apart from the regional market, the varied uses that are unfolding in Uganda will make the market wide. You will remember that Point Number 5 of our 10-Point programme was: **Building an independent, integrated economy**. When therefore, you have the food sector linked with the animal sector, that is part of integration – maize is feeding not only human beings but also the animals. It is amazing; you find that European countries are importing grain from Africa to feed cows in Europe, when cows here are starving. We lost a lot of cows during the last dry season; I also lost quite a few. This was owing to the lack of integration. There is no linkage – the cows are starving here; and maize is rotting here. Why can’t you convert the maize into food for the cows? It was the same situation with grass – the cows were starving in the West while grass was being burnt in the East; but grass is food for the animals! I think in Africa, people have not heard of the food chain. We need some teachers to come and teach us about the food chain; that the cow eats grass and then it is eaten by the human being. We need to be taught to use baling machines. When you burn the grass, like they do in Teso and Karamoja and in some other places, you are actually destroying the food of not only the cow, but of the human being somewhere. This problem we had, therefore, woke us

up and and we told our people: “Why don’t we look for baling machines, to tie the grass!” You cut the grass and tie it, then you transport it from Lango, Karamoja or Soroti, wherever it is being burnt; and sell it. That is integration. Therefore, even this price of maize will stabilize. All this, however, was triggered by the bigger regional market for which we have only salutations. What is true of maize is also true of other agricultural products such as milk, bananas, fruits, beef, etc. It is also true of industrial products. Last Calendar Year, Uganda exported to the regional market, goods and services to the tune of US\$ 1.6 billion.

To supply this market and become more competitive globally, we need to deal with certain factors, especially: expand electricity supply, road transport, the railways and ICT. In the whole of East Africa, we need to take it as a matter of life and death. When I was in Tanzania in the 1970s, when we were fighting Idi Amin; in 1974, Mwalimu launched a campaign he dubbed: *Kilimo cha Kufa na Kupona*, as a measure to address the prevailing situation. The development of infrastructure in Africa, in East Africa, is really a matter of survival. If we do not do it, we are going to get into a lot of problems in future. Improved infrastructure and transport will lead to lower costs of production and will attract more investors – local and foreign.

It is amazing how planners in Africa, including civil servants here in Uganda do not pay attention to infrastructure. To awaken the Ugandans I have been using the concept of kilowatt hour (kWh) per capita. This is a concept I found missing among our planners. We have ‘planners’ who had not heard of kWh per capita; so you wonder how they were planning. If you check on the internet, Hon. Members, for the kWh per capita of the world, you will be amazed. The kWh per capita of Africa, including East Africa, is very low. The kWh per capita in the United States is 14,000; in some of the European countries like Norway, it is even higher. But I think

in one of the African countries it is as low as 12. How then, will you develop? What magic are you going to use, to develop without electricity? *Utatumia uchawi; utatumia nini?* Here we had big troubles with our groups, fighting electricity; they do not want it – you want to build a dam, they fight it. They bring some crazy villagers who say there is some spirit which doesn't want a dam here. The main problem we were having was our dependence on external funding. However, Uganda is now liberated from that, because we started our own Energy Fund, into which we put money each year. So we no longer listen to all that rubbish; when we want to build a dam, we shall build it. If there are some people who want to obstruct us, we must remove them and say: "You go away, we want to build a dam here".

In Uganda, after a lot of quarrels and wasting time, we are now aiming at generating about 17,000 megawatts in the next 15 years. This will give us a kWh per capita of 3,000 at that time. You can imagine, we are far behind. Even in 15 years, if we do everything on time, we shall reach a kWh per capita of 3,000; when the United States today is 14,000. We must, however, at least let us start; the wastage of time is over in Uganda here.

I would want to appeal to the regional partners also to look at this issue of energy, because it is very, very crucial. I normally go to these international meetings, like the ones of the United Nations. Now there are the Millennium Development Goals (MDGs), which we are supposed to achieve by 2015. You do not, however, see how they are linking those MDGs with production. They merely have targets: "*Reduce by two thirds, the under-five mortality rate by 2015*". You are not talking about electricity; how will you do it? The last time we were there, they said: "Ooh it seems we are not going to achieve the MDGs. So I stood up and asked them: "How were you supposed to get them in the first place? You do not talk about electricity." Everybody who does not talk about electricity is not serious. In our language we say: "*Etajugire nyoko, ku*

obona ekirengye oti naariire” – literally, for a cow which was not your mother’s bride price, when they give you a hoof you say: “Thank you very much”. We have wasted a lot of time, but with our Energy Fund in Uganda we are moving now.

Building the railways is another area where Africa has wasted a lot of time. Again, here, I have now directed the concerned sectors in Uganda to use the Army Engineer Brigade to develop a capacity for railway building. If private groups can build the railways, no problem; if, however, they cannot, the Army Engineer Brigade will do so. Building railways is not space technology; it is clear ordinary civil engineering. The British built a railway line from Mombasa to Uganda using *karai* and porters. How can Africans fail to build the railways when we have engineers, earthmoving equipment, etc? When the British built the railway from Mombasa to here they did not have caterpillars and machines, just human beings! How can Africans sit here, *mwaka baada ya mwaka?* *Wanangoja mtu kuja kujenga* railway! If he doesn’t come, it is as if you are punishing him: “*Kama hawaje, hatutajenga; tutabaki namna hii*”. I discussed it with our army engineers and said: “This railway; cant we buid it?” they said: “Of course we can!” So we are now busy working on this. When I introduced this to some of our partners, they said: “No, no, but for us we don’t fund things which are involving the army!” “Aaah, when did that start? As far as I know, all the railways in the United States were built by the army!” I said, “Ah! *Iyo ilikuwa zamanya*; but now things have changed. However, for us we are still backward, so we have to use the army to build this railway”. I have mentioned this to some of our regional partners and they seemed to like the idea. We are moving and we are going to work on it.

In spite of happiness with the speed of the realization of the East African Common Market, I cannot forget to remind you of the need for the East African Federation – fast-tracked. By 2012, we need to agree on the way forward. We agreed on the

setting up of a committee of advisers to look at the issues and timetable again in our last summit in Arusha. I do not know whether it has been set up. The East African Federation is the insurance policy for Africa's future. I normally get amused when I see Africans ensuring everything: cars, houses; I hear people can even insure dogs. I, personally, have never insured anything. I have no insurance policy. The only insurance policy I have is Uganda; when Uganda is peaceful, then I am insured. My wonder is: "How can you insure everything else but not Africa, not your future? How can you fail to insure your future as a people, as a race? The East African Federation is the Insurance Policy for Africa's future. The present 53 states of Africa cannot guarantee the future of the Black race and other Africans any more like the African chiefs of the pre-colonial era could have guaranteed our sovereignty.

When the Europeans were coming, they started at the coast. Our ancestors here got information. We had a prophet here, who is not written about. I will have to write about him. He was from Karagwe, Tanzania. His name was Kakara ka Shagama; Kamango, Katondagira, Karukunyu were his praise names. He prophesied that one day, this part of the world would be taken over by foreigners. He was telling these kids who were running around here. One of the things he said was: "*Bahindakazi, nyungu ku eritsya yatukura akabunu, muragiteruza ki?*" He was talking to the princesses, these 'spoilt' girls of those chiefs. His question was, literally, "You princesses, how do you remove a red-hot pot from the fire?" And then he said: "*Obunaku butari obu, ensi egi eryatwarwa abatetonderwa*". "In the distant future, this part of the world will be taken over by people whom you cannot introduce yourselves to, because they do not know you." You cannot come to him and say: "I am Yoweri Museveni, son of Kaguta" and he recognizes you, because he is from a totally different group. So this man prophesied, as did other people, but our chiefs were sitting here, running around, full of themselves; and the Europeans came and took over the place. That

prophet Kakara ka shagama also prophesied '*Abagyendera haiguru*' – people who fly through space. Those chiefs, therefore, could not guarantee our sovereignty because they were not well organized. I am glad there is a consensus on this issue in the whole of East Africa. More should be done to sensitize the East Africans about this issue.

The 13 colonies in North America chose the route for unity and produced the mighty USA, that has three times rescued the Western World in the last 100 years – during the 1st World War, the 2nd World War and in the battle against Communism. That West would not have survived it if hadn't been for the United states; Hitler was going to swallow them up. Countries like Belgium, Switzerland, The United Kingdom, France, are developed, but they are small and wouldn't have survived the onslaught of Hitler, if they did not have this anchor, this centre of gravity, the United States. The USA has been the guarantor of the Western system, therefore, in the last 100 years. The USSR (Soviet Union) was the main force that destroyed Hitler in the 2nd World War from the East. On the other hand, the Spanish colonies in Latin America did not see this point. They were all colonies – the British colonies in the North and these Spanish colonies in South America. The British colonies saw this wisdom and started that Union of theirs with 13 members and now are 50; and they created that powerful unit called the United States. The Spanish colonies, on the other hand, did not. They, therefore, ended up being a weak part of the world for many centuries. It is only now that Latin America is coming up, mainly, because of Brazil, which is, itself, a very big state approaching USA in size and population. Who can guarantee the future of the Black race and other Africans today or in the future? It is very important to emphasize this point.

Interstate infrastructure should be promoted – the railways especially.

With these few remarks, I wish you fruitful deliberations in this 3rd Meeting of the 3rd Session.

