

13. Grabbing an election: abuse of state resources in the 2011 elections in Uganda

Svein-Erik Helle and Lise Rakner

Elections are an integral part of representative democracies. Well-functioning elections contribute to democratic accountability and democratic institutions, which in turn contributes to economic and human development too (Acemoglu and Robinson, 2012; Gerring et al., 2012). But the integrity and quality of the electoral process is in many countries threatened by the growing importance of money in politics: vote buying and the use of state and other illegal resources for partisan purposes (Annan et al., 2012). Electoral fraud has both economic and political consequences, as illustrated by the 2011 parliamentary, presidential and local elections in Uganda. They ended, as many observers expected, with a landslide victory for incumbent President Yoweri K. Museveni and his National Resistance Movement (NRM). The victory was Museveni's fourth consecutive election victory, after winning in 1996 and 2001 under the 'Movement-system' when no opposition parties were allowed, and the first multiparty electoral competition in 2006.

The legitimacy of the election processes and election results in all elections under NRM-rule have been questioned. Criticism has related to what we perceive to be a form of grabbing: use of public (state) resources in election campaigns for the ruling party. The importance of money and resources has been a recurring issue in the 1996, 2001 and 2006 elections (William, 1997; Tripp, 2004; Kiiza, 2008). As this chapter highlights, these problems were even more prevalent in 2011. The NRM candidates, and especially President Museveni, had distinct resource advantages compared to the opposition parties and candidates, much of it fuelled by access to the state apparatus and state finances. This contributed to the opposition facing an uneven playing field in the 2011 elections that again contributed to the elections being deemed 'not fair' by international standards (COG, 2011; EUEOM, 2011).

In this chapter we argue that grabbing not only affected electoral accountability through tilting the electoral playing field in favour of the ruling party, but also that it affected financial stability and contributed to rising inflation and subsequent unrest. We draw on interviews with members of political parties, stakeholders and political commentators collected during the run-up to the election as well as published material. Our analysis of the role of money in Ugandan electoral politics suggests that this form of grabbing is detrimental to development because it creates an uneven electoral playing field, distorts the true reflection of the people's will, and undermines the purpose of holding elections. The economic implications of election-related grabbing must be understood in light of the high costs of elections in sub-Saharan Africa. Using inflation data, we highlight the inflation effects during and after the 2011 elections in Uganda. We argue that in order to improve accountability and development, stakeholders should focus on electoral quality in order to avoid 'election grabbing'.

13.1 THE IMPORTANCE OF MONEY IN UGANDAN ELECTORAL POLITICS

Comparative research indicates that money is relatively *more* important in electoral politics in poor countries with a challenging geography and infrastructure compared to more developed countries (Saffu, 2003). Money and resources play an important role in Ugandan politics. When asked what the main challenges facing their party were before the 2011 elections, representatives of all the major opposition parties responded that attracting enough funding to run a campaign effectively was one of their biggest challenges.¹ For the ruling NRM, however, the challenges were slightly different. According to NRM Party Spokesperson Ofwono Opondo, their main challenge was: 'the incumbency – the people believe that because the NRM is the ruling party, we have so many resources. So people are not willing to do anything without direct payment'. Maintaining a financial advantage over the opposition is a key concern for the NRM. The ruling party financially supports their national candidates during electoral campaigns, in contrast to the situation for opposition candidates where only the presidential candidate gets financial support from the party.² The financial wealth of the NRM is to some extent linked to support from the business community.³ However, the bulk of the resources are linked to the NRM's control of state resources.

13.2 GRABBING FROM THE STATE: NRM FUNDING FOR ELECTORAL CAMPAIGNS

It is necessary to distinguish between two types of funding advantages related to access to the state that the NRM enjoy. First, a direct advantage is the use of public resources and money in the campaigns of the ruling party. Second, an indirect advantage is linked to a sophisticated patronage system that permeates the political and bureaucratic sphere in Uganda. Although the direct and indirect use of public resources is interlinked, the dynamics at play are different.

The incumbent party and president in Uganda have several legal advantages that enable them to use state resources to mobilize the voters before and during the campaign, both in parliamentary and presidential elections. The first clause in Article 25 in the Parliamentary Elections Act of 2005 specifies that candidates shall not use government or public resources for the purpose of campaigning for election. Nevertheless, clause 2 specifies that ministers and any holder of official office can use official facilities ordinarily attached to his or her office as long it is used to facilitate 'the execution of his or her office' (GoU, 2005a). What this execution entails is not defined and leaves considerable room for the respective official to use public resources for campaigning purposes. Given the significant number of junior and senior ministers in the NRM government, as well as the often partisan nature of other officials (Helle, 2011), many NRM candidates are given important resource advantages compared to opposition candidates. These advantages were utilized during the 2011 election campaigns, and it was often hard to separate official ceremonies from campaign rallies of the NRM (COG, 2011; EUEOM, 2011). The Presidential Elections Act of 2005 provides the incumbent president with even stronger resource advantages. According to the law, 'a candidate who holds the office of president, may continue to use government facilities during the campaign' (GoU, 2005b). The president is only supposed to utilize the facilities that are ordinarily attached to the office, but this is not a very restrictive measure. In effect, it puts the whole State House apparatus at the president's disposal during the campaign. The 2010 Presidential Elections (Amendment) Act amends and strengthens the penalty for violating these regulations, but it does not specify or restrict the facilities at the president's disposal. In practice, those who are in position of public office can utilize state resources legally during their campaign. The NRM party spokesperson acknowledged in interviews that these facilities are utilized and that it has advantages. However, he argued that it is an incumbency advantage that

you find in many established democracies as well.⁴ The scale of the facilities provided the government with an unfair advantage though, something that was commented on by several electoral monitoring missions (COG, 2011; EUEOM, 2011).

In addition to using government facilities, there are clear indications that money from the state revenue was used directly for partisan purposes, both before and during the campaign period. First of all, the president has a considerable budget for making what are known as 'presidential donations'. During 2010, the president had approximately USD 10.2 million available for such donations through the State House budget. These funds are handed out at the president's discretion to individuals. Donations are not allowed during the official 3-month campaign period, but they were nevertheless frequently used in the period leading up to the official campaign.⁵ President Museveni highlighted his use of these pledges in his 2010 State of the Union Address, stating that by March 2010 he had made 166 Presidential Pledges at approximately USD 1 million (Museveni, 2010).

Financial activities during the electoral campaign indicate that state resources were in high demand. Six weeks before the election the NRM-dominated Ugandan Parliament passed a supplementary budget. This USD 257 million budget came barely 6 months after the original budget was posted and only 2 months after it was approved. Among the expenditure was a USD 33.6 million allocation to State House.⁶ The expenditure items in this allocation were left open. For example, USD 4.2 million was given to 'facilitate jobless youth'. A few days after the supplementary budget was passed all MPs in parliament were given USD 8500. Since NRM party representatives dominated the eighth parliament, NRM candidates received the bulk of the money.

The NRM does not hand in audited accounts to the Electoral Commission as required by law.⁷ It is therefore difficult to know the exact source of their financing and what happened to the public money spent during the campaign period. A month after the supplementary budget was passed and a few days before the election, Finance Minister Syda Bbumba claimed that the government had already spent its budget. The money from the supplementary budget had gone into administrative processes related to the election, and other sectors such as health and education were therefore not receiving their allocation.⁸ Still, significant parts of the budget were also allocated to State House and the army, who were not supposed to be engaged in the electoral process.

The issue of the indirect funding advantage relates to the patronage-network of the ruling party. According to the NRM, they receive large portions of their income from contributions from elected and unelected

government officials: All NRM party officials with public positions are expected to contribute a percentage of their salary to the party. The party in turn uses this money to support its flag-bearers financially during election campaigns.⁹ In other words, the more NRM party-officials that hold public positions, the more resources the party has available to distribute. The NRM government has increased gradually over the past 20 years (Tumushabe, 2009). By 2012 the cabinet counted 76 senior and junior ministers in addition to the president and vice president. Both the elected and unelected local government network is substantial. In the 2011 elections there were 18 629 posts for which a nomination fee was attached to the contest, and this is only down to the LC3 level: there are even more positions at lower levels.¹⁰ All these positions are paid an honorarium, and elected positions in Uganda are well-paid in comparison to the average salary in the country (DEMGROUP, 2011). The number of positions has increased significantly over the last 10 years as a result of the growing number of electoral and administrative districts in Uganda (Tumushabe, 2009; Helle, 2011). Thus, the expansion of the state in Uganda carries an indirect financial benefit for the ruling party.

13.3 ELECTIONS WITHOUT ACCOUNTABILITY

A recent report on how to improve the integrity of elections worldwide found that 'uncontrolled, undisclosed and opaque political finance poses a fundamental threat to the integrity of elections' (Annan et al., 2012: 7). As outlined by Casas-Zamora, there are several reasons why an election with uneven distribution of financial resources among the competing parties is bad for holding a free and fair election: it provides undue influence to a small group of individuals and a lack of focus on the common good, as well as creating uneven competition (Casas-Zamora, 2005: 2).

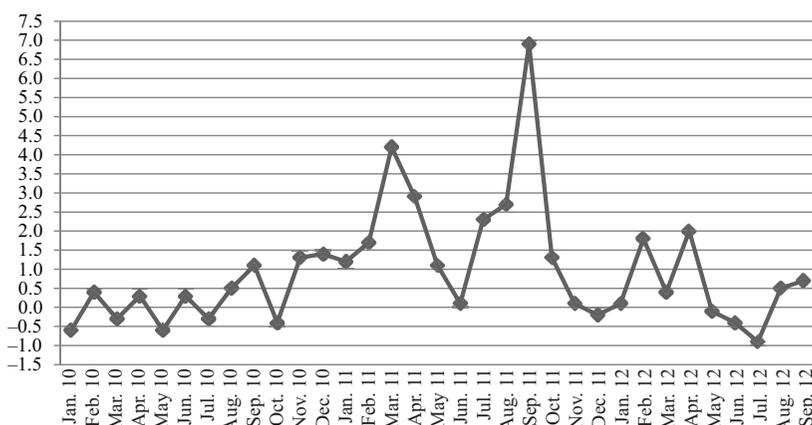
The resource advantages of the NRM had an impact on the election outcome in the 2011 election, as shown in multiple articles and reports that have highlighted the important role of money and state resources in the campaign (COG, 2011; DEMGROUP, 2011; EUEOM, 2011; Izama and Wilkerson, 2011). Contrast this with Conroy-Krutz and Logan, who claim that the impact of the money on actual voting behaviour in the 2011 election was low and not important for the result, and that the 2011 election 'was perhaps the most peaceful and representative of the popular will in several decades' (Conroy-Krutz and Logan, 2012: 627). Conroy-Krutz and Logan remind us that financial resources do not provide the whole story of the 2011 election result. On the other hand, their survey

data only look at the effects of goods and money that was distributed directly to the respondents in the survey, focusing on a narrow portion of the financial advantage of the NRM. Arguably, the survey presented by Conroy-Krutz and Logan is not enough to dismiss the importance of money grabbing. This does not mean that the absence of a resource gap would have completely altered the electoral outcome. The NRM and President Museveni have a significant historic legacy in Ugandan politics, related to the bush-war. In addition, the opposition is weak and fragmented. However, this weakness is in part linked to NRM's control of electoral finances. Opposition parties in Uganda are caught in a vicious financial cycle that contributes to the political status quo (Helle, 2011).

13.4 POST-ELECTION INFLATION AND SUBSEQUENT PROTESTS

In the immediate aftermath of the elections Uganda was relatively quiet, although four of the defeated opposition presidential candidates released a joint statement condemning the election (Gibb, 2012). The protests they called for did not materialize in the immediate post-election period. However, after relatively stable macroeconomic growth and controlled rates of inflation in the years leading up to the election, Uganda started to see rising rates of inflation in the months during the election campaign. This trend increased in the following months. Prices on essential goods such as food and fuel as well as essential health and education services grew significantly. The Consumer Price Index (CPI) in Figure 13.1 below highlights that the CPI remained unusually high in the few months preceding and the 6 months after the February election. Members of civil society, local experts and opposition politicians blamed government spending before and during the election campaigns as one of the factors driving this inflation.¹¹

The government and central bank refuted the claims, blaming the rising inflation on a regional food crisis and the global economic outlook. Both of these explanations carry some merit. Globally, 2011 was a year of high inflation, and there was large regional food demand that drove prices of Ugandan agricultural products up. However, Uganda experienced considerably higher inflation than many countries that were more directly affected by this than Uganda: Uganda had the seventh highest inflation rate in 2011 globally. Regionally, the only country with a higher inflation rate was Ethiopia – all other neighbouring countries had lower inflation rates than the 18.7 per cent annual increase in CPI that Uganda experienced. There is thus reason to believe that international conditions



Source: Uganda Bureau of Statistics, September 2012. Available at: <http://www.ubos.org/?st=pagerelations&id=138&p=related%20pages:%20CPI%20%20May%202009> (accessed 10 May 2013).

Figure 13.1 Monthly percentage change in Consumer Price Index in Uganda, January 2010–September 2012

were not solely responsible for the inflation experienced after the 2011 election (Kabundi, 2012). Combined with the timing of the increase in inflation and the fact that the government overspent significantly during the campaign, the picture of a budget cycle motivated by the election, which in turn affected the post-election economic stability in Uganda, emerges.

In the aftermath of the rising food and fuel prices, the Ugandan opposition drew inspiration from the events unfolding in the Arab Uprisings and started organizing protest marches against the NRM government. The protests focused on economic issues, but carried a strong political component in that they were organized by members of the opposition parties and mostly split across government/opposition lines. The army and police forces cracked down hard on the protests, which the government perceived to be political: several people were killed and several opposition leaders arrested (Gibb, 2012). After a few weeks of confrontation the protests died out and President Museveni maintained control. The protests, nevertheless, highlighted that there was resentment within the Ugandan public, and that the opposition had the potential to mobilize important segments of the Ugandan population.

13.5 INCREASING ELECTORAL QUALITY INSTEAD OF QUANTITY

Partly as a result of these adverse effects of unfair elections, some experts have argued that since competitive elections *can be* detrimental to development, they should not be considered an important part of a developmental process (Kelsall et al., 2010; Therkildsen and Bourgooin, 2012). This trend has been particularly prevalent over the past 10 years because some authoritarian regimes have managed to create significant economic growth, while more competitive regimes have not (Cheru, 2012). We do not support this policy prescription. We argue that instead of eliminating accountability through elections both national and international stakeholders should pay attention to the quality of elections rather than simply counting the number of elections.

The focus should be on securing electoral integrity, whereas addressing the issue of political finance is fundamental in order to achieve this goal. The grabbing of state resources by ruling parties must be addressed in a systematic manner. The advice offered by the Global Commission to remedy the situation highlights the complex interplay between rules and actual practices (Annan et al., 2012: 33–37). This report highlights two challenges. First, creating legislation that makes grabbing illegal in terms of clear and unpartisan regulations that leave little room for interpretation and rule-bending; and increasing transparency with regards to political funding, and what this money is spent on. This is increasingly being done, though there is still some work left both in terms of clarity and transparency. Formally, there is legislation in place in Uganda that should prevent many of the practices described in this chapter if implemented properly. This is the second (much harder) challenge: how do you get politicians to enforce compliance if they benefit from non-compliance? This question must be understood in light of the fundamental challenge associated with political power. It calls for an assessment of constitutional design, the function of checks and balances, but also, debate about the state's position in society.

However, in order to increase compliance we also need to address issues related to the costs of losing an election. If controlling the state is the only path to economic prosperity and power, then the stakes around elections are very high. Consequently the incentive to *grab an election* is also higher. The question of election grabbing can therefore not be analysed without looking at the political economy of society as a whole.

NOTES

1. Interviews with General Secretaries and Party Treasurers of Forum for Democratic Change (FDC), Democratic Party (DP), and Uganda Peoples Congress (UPC). Individual interviews carried out in Kampala, December 2010.
2. *Ibid.* Information on the NRM: Interview with National Spokesperson of NRM Ofwono Opondo, Kampala, 17 December 2010.
3. Interview with National Spokesperson of NRM Ofwono Opondo, Kampala, 17th of December 2010. During the interview Mr Opondo was confronted with the allegation that these contributions could be seen as bribes in an attempt to receive future government tenders and favours. He replied that this could be the case, but that the NRM could not do anything with the motive behind the payments.
4. Interview with National Spokesperson of NRM Ofwono Opondo, Kampala, 17 December 2010.
5. The pledges were well-documented in the Ugandan media (Asiimwe, 2010; Njoroge, 2011).
6. See for example Karuaga and Bekunda (2011).
7. The Political Parties and Organisations Act of 2005 requires all political parties to submit their audited accounts and disclose their sources of income to the Electoral Commission of Uganda each year. Compliance has historically been low across the board, but over the past few years most of the opposition parties have handed in their accounts. The NRM had not done it by the end of 2011, and although party sources claimed they were working on it, sources within the Electoral Commission confirmed that they had only submitted one account for the whole 6-year period from 2005 to 2011, and that this had been rejected by the Auditors and the Electoral Commission. It was thus not available for the public.
8. For quotes see Mayanja and Abdallah (2011).
9. Interview with National Spokesperson of NRM Ofwono Opondo, Kampala, 17 December 2010. Also echoed in interview with Assistant to the General Secretary of the NRM, Hippo Twebaze, Kampala, 16 December 2010.
10. The LC (Local Council) system in Uganda is based on five different levels, ranging from Level 1 (the village) to Level 5 (the district). Each level is supposed to have an elected representative body.
11. See Makuma and Akello (2011) for quotes.

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