

BLACK MONDAY

Newsletter

Citizen Action Against theft of our money without SHAME!

RAISE THE ALARM: Stop theft of labourers' money and create a quality economy

With pomp and ceremony Uganda launched the Vision 2040, a promise to move Uganda to a first world country. But one may ask; how does a country like Uganda get first world status with the level of theft and misuse of public funds that we see today? Theft distorts the economy, especially labour markets. When money is stolen, it is spent in the economy but not backed up with production activity; hence millions of people who could have benefited from being employed are left out of the production system. Inflation and the rise in interest rates in recent times are all effects of this perverse economy driven by theft.

One of the biggest categories of people that have suffered from this theft is workers and workers' unions which play an important part in the economy. While workers' unions exist, they are not strong enough to influence wage levels or welfare standards for workers in industries and enterprises. Today, it is common to see workers who have been severely injured while at work in factories and not given sufficient medical attention. In the hotel industry, workers have been turned into casual labourers. A poverty study in the late 1990s that was done at the Ministry of Finance narrated stories of workers who could never meet their daily sugarcane cutting quotas set by their employers because they gave them limits that could never be accomplished by a human being, and they would always receive half pay.



The new Chairman of the Busoga Youth Forum carries away Shs250 million in a sac. President Yoweri Museveni donated the money to the youth group at Kaliro district headquarters on April 20.

This points to a very precarious situation of worker's welfare in Uganda. Many of the companies that subject labourers to these harsh conditions are owned by investors that are protected by those with political power.

A related and even more precarious situation is the recently discovered theft of pensions, a heinous crime. Old people, who have worked as public officials and have invested most of their productive life contributing to the development of this country, today look on while thieves are enjoying. The pension thieves are now buying justice but it is not clear if any of the money that they stole can ever be recovered since it permeates many parts of the political patronage network and stealing syndicates. Not surprising many public officials today are looking elsewhere to build their retirement portfolios because they can no longer trust that their government will protect their earnings. This loss of public trust fuels petty corruption and is a recipe for grand corruption.

We should stop lying to ourselves that we can develop and become first world if we treat our most important resource - labour - the way we do

Building a country is about building a robust economy that is devoid of theft of public funds, and employment and labor relations that protect workers earning and uphold their rights.

today. If Uganda is going to benefit from growth in the economy we must squarely address issues related to workers' welfare and know that the quality of our workforce will determine the quality of growth. Today the young people are being hoodwinked to think that some hefty sums of money in a gunny-bag given by the President will solve their employment problems. Gestures like that are expressions of political patronage and not prudent economic management. We should shun all political patronage that plays around with labour and instead demand to see investments in our young people

that give them skills to contribute to the labour market. For workers who are already part of the economy, we demand that labour laws and standards are implemented by all our workplaces. The abuse of labourers by the so-called investors is something that we should shun. It is also imperative that Trade Unions are strengthened and employees are given the right to be part of a Trade Union.

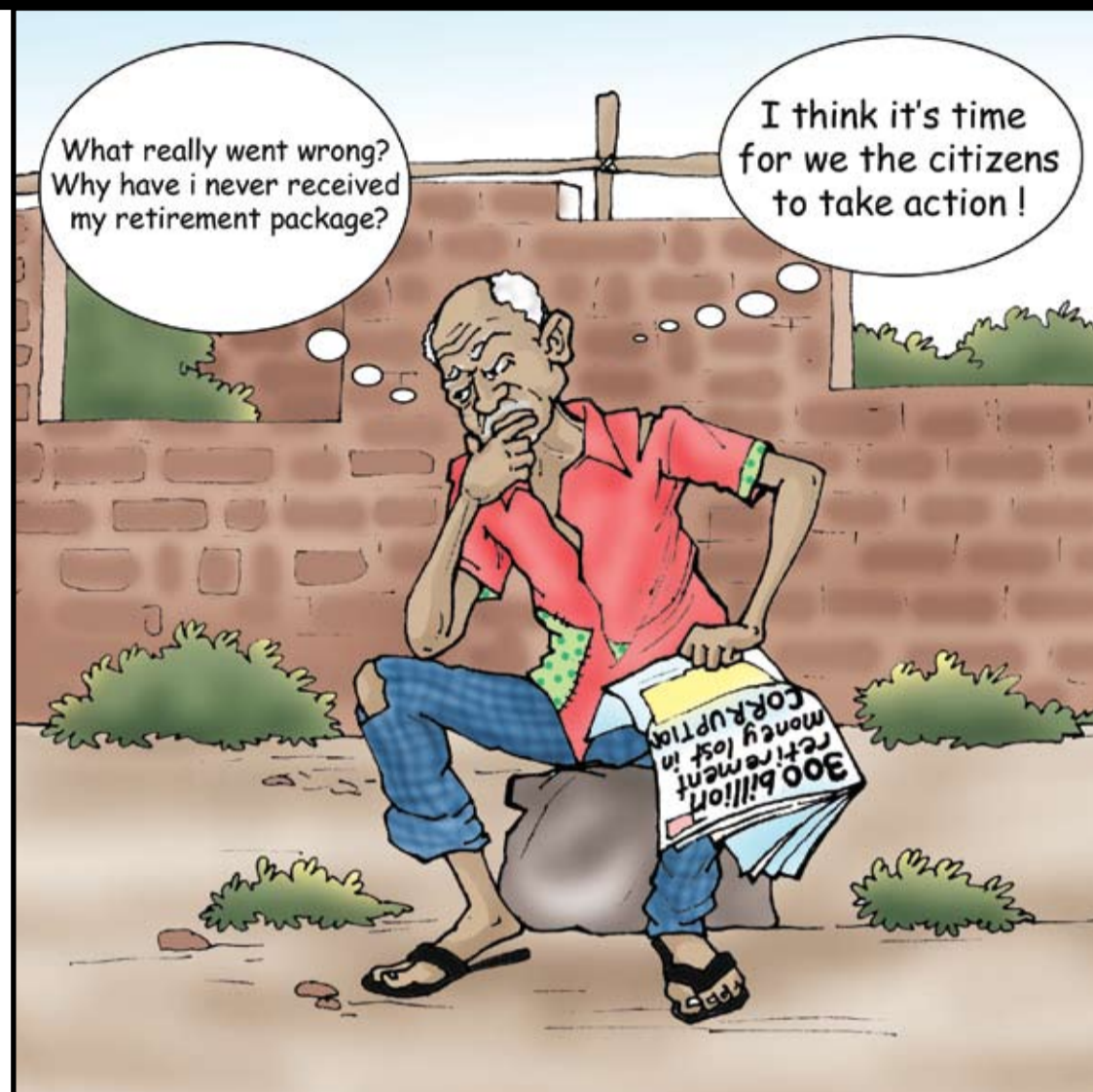
We all have to understand that in a productive economy we should all play our part. For employers it is important to understand that a good business model includes responsible labour relations. For government, pensioners' money that was stolen should be recovered and paid to its rightful owners. Government should also not treat young people deceptively; youth employment requires serious policy alternatives that build sustainable job models and allow young people to enter the job market and also transit into other parts of the economy.

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Honesty retires poor

At 74 years of age, Adam sits at the front porch of his unfinished house in a remote area on the outskirts of Kampala. On his lap rests a two-day old edition of a daily newspaper with a headline screaming “300 billion retirement money lost in corruption”. He has re-read this article more than 5 times and looked closely at the faces of the men who are paraded as suspects. Senior officials in charge of pension are paraded like common criminals and have now been interdicted. As a retired civil servant, Adam wonders how on earth such a crisis could have happened. He wonders how a few men can steal money that can pay all Uganda’s pensioners comfortably for a decade. How come no one in government detected this?

His mind flashes back to his 33 years in civil service. He rose to become a head of department in Uganda. Indeed he recollects how one day he signed off a license for a factory in Kampala and the proprietor wanted to build him a house. He turns down the house offer, gently telling the man, “this is my job, you do not need to pay me anything to do it”. The investor looked hard and long at him and shook his hand firmly and wished him well. He remembers the markets that he approved licenses for and all kind of businesses he helped to operate and never taking a bribe from any of them.

“I did not retire a rich man, I retired an honourable man,” he says, “even if you brought a caterpillar tractor you can never pull my integrity out of me”.

For close to two decades now he has been retired. He has seen a country move

from being a rundown dictator’s playground under Amin and Obote and a promised land under Museveni that has now plummeted right down to an incomprehensible den of public thieves.

The question on his mind has been what went wrong?

“It reminds me of the Magendo traders who smuggled coffee during Amin’s times. They would come back home with big radio cassette players and sacks of money that could be counted by their family members for close to three hours each night. They laughed at educated people and bragged about the invincibility of the Magendo economy”, he says. Today they are no more, and just like citizens rejected Magendo, they will eventually reject the current “State-Magendo”.

Adam stares at the holes in his socks and realizes that - yes indeed - someone stole his retirement, his sweat went to waste, he can live off fond memories of the past but his present is one of living hand to mouth. His old wife scratches the land, his sons and daughters once in a while send some little mobile money and his retirement appears on his bank account once in a while like the eclipse in the sky. But deep within his old soul he knows that citizens always take action when they are pressed on the wall and indeed he now he feels that it is time for citizens to change their status-quo if they are going to live beyond the current theft of public money.

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Corruption undermining health and productivity

Malaria and HIV infections are two of the most dangerous infectious diseases worldwide, accounting for a combined 4 million deaths annually. Statistics show that that HIV/AIDS and malaria are still the major causes of years lost due to early death in Uganda, (Global Burden of Disease 2010 report).

Further, in industry and agriculture, malaria accounts for more than 50% of all man hours lost. This affects production and revenue for the industry, families and the nation.

Malaria is therefore a leading cause not only of ill health and death in Uganda but also of poverty. It is therefore incumbent for government to recover the UGX 44.5 billion lost through breach of contract by Quality Chemical Industries Limited.

Official Government documents show that on December 14th 2005, the Government Of Uganda signed an agreement with Quality Chemicals Industries Limited (QCIL) to ensure that

- QCIL constructs a factory that would manufacture agreed ARVs and anti malarias that would facilitate cheap prices for ARVs and ACTs since they would now be manufactured locally,
- QCIL was to apply a 15% mark up on all locally manufactured medicines and that
- Before completion of the factory, QCIL would import medicines only from CIPLA, an Indian pharmaceutical firm.

Findings from the Inspectorate of Government report for the period 2009-2010 indicate indiscretions and breach of the agreement by Quality Chemicals Industries Ltd, costing Ugandans USD 17,826,039, an equivalent of 44.5 billion Uganda shillings today.

Going by the current market rates, where one Anti-malarial Artemether injection costs 40,000, the UGX 44.5 billion shillings that Uganda is losing in this dubious deal would have been used to purchase Artemether injections for 1,112,500 people suffering from malaria, thus saving many lives.

Similarly, the same amount would have been used to purchase the monthly anti-retroviral drug Tenofovir for 1,011,364 people for one full month. Sincerely, if this UGX 44.5 billion was to be put to the rightly use, it would have saved so many, lives and brought down the rate of deaths caused by malaria and HIV/AIDS. Government of Uganda must thus prevail upon Quality Chemicals Ltd to have these monies saved and not go down like other genocidal scandals like GAVI and Global Fund.



Trade Unions dogged by Corruption and struggle to remain relevant



Kakira workers on strike over poor pay.

In 2011 and 2012 the Uganda Teachers Union spearheaded over seven strikes protesting the poor working conditions and low pay of their members. The Teachers demanded 100% increase which would see their salary increase from UGX 270,000 to only UGX 540,000 a month. The response by the government was purportedly promising a UGX 30,000 increment per month.

The rights of workers in Uganda, whether unionized or not, are neither respected nor recognized. This situation is partly exacerbated by the waning influence of trade unions in Uganda.

One may ask if Uganda's trade unions have always been ineffective. Contrary to what we see today, the early labour unions of the 1960s registered some successes. They managed to press the government to introduce maternity leave, which was declared in 1968, they also advocated for creation of National Social Security Fund the same year; and Shs. 6,000 per month as minimum wage in 1984.

Unfortunately, today's trade unions are pre-occupied with internal bickering and government interference. For example, the Ministry of Gender, Labour and Social Development blatantly interfered in the affairs of the Uganda Nurses and Midwives Union by denying them the chance to decide their own method of choosing their next general secretary.

A former secretary general of one of the trade unions federations decried the extension of the ruling government patronage system to trade union operations; where the relationship with the state and political leaders is more important to trade union leaders than the workers they represent. "But in Uganda, leaders of trade unions are appendages to the ruling NRM and it is not a coincidence that all Workers MPs subscribe to NRM. So, one wonders whether they are doing NRM work or they are there to push for the interests of workers," he mused.

Apart from the external influence, trade unions are also dogged by massive corruption which has eaten

deep into the "bone marrows" of many unions with leaders conniving with employers to suffocate the interests of workers.

An employee with one of the major sugar manufacturing companies and a member of National Union of Plantation and Agricultural Workers (NUPAW) speaks of incidences where colleagues conspire with some top managers to defraud companies, thus denying them a chance for a pay rise. He says, trumped up charges are levelled against individuals who come out to speak about the fraud and some

have consequently been dismissed.

"Recently, when some colleagues failed to get their terminal benefits and sought legal redress, union leaders persuaded them to withdraw the case, claiming it was a weak case. They pursued the matter and won it," says an employee who preferred anonymity. The employees on several occasions have opted to withdraw their membership from the union and subscribe to another, but their efforts have been frustrated by both management and their leaders.

According to Mr Livingstone Ssewanyana, the executive director Foundation for Human Rights Initiative, keeping the Ugandan workers divided is deliberate, because a strong and vibrant trade union movement is seen as a threat by the government of Uganda which still has governance issues. "The bad blood we see between various labour groups is fuelled by the state so that it gets control over their operations. The labour movement will remain disorganized unless there is a regime change," he says.

Trade unions are also dogged by massive corruption which has eaten deep into their bone marrows. Many union leaders connive with employers to suffocate workers' interests.

Corruption is theft of opportunities

The level of theft of public resources – otherwise called corruption – is not just stealing of money; it is also stealing of opportunities. The level of unemployment, especially amongst the youth, is unparalleled, as universities and colleges usher their graduates by the thousands each year with no vacancies. This is in addition to those that drop off the ascendance ladder of our education system.

The public employment sector in itself has many citizens with no experience or proper qualifications. Others hold office past retirement age. Ironically the investors invited to compete in the economy, bring in their illegal immigrants as labour, many of whom have expertise that is already available in Uganda.

Corruption in the public employment sector is anchored to nepotism that is based on political patronage as well as ethnicity. The most favoured are connected to the “right” people in the regime. This has further fuelled the theft of public funds. Corruption has become a “family affair”, and whistle blowers fear not only for their jobs but ‘blowing the whistle against “un-touchable”. As a result, the disgruntled employees find ways to follow the example of their bosses – cutting corners and taking home as much as they can, making sure there is no trail. Hence the employment sector is faced with poorly qualified employees and a body of employers and employees that steal public funds.

Corruption has not only led to the current crisis of youth unemployment; we are faced with the twin challenge of under-employment. Many university



A youthful casual labourer takes a nap during a long day's work digging a trench for cables near Nakawa Magistrates Court in Kampala.

and college graduates are working away as fuel pump attendants, issuing parking tickets or in aisles in supermarkets, just to sustain themselves. This is amidst exploitation by their employers due to the absence of a minimum wage. They work at the pleasure of their profit-hungry and highly indebted investors, and so the youth have been reduced to spectators

in the economy of the Uganda; at best and at worst, they are parasites - despite a population dominated by the youth. What would have become a demographic dividend for Uganda is quickly becoming a demographic disaster.

The burden of theft of public resources on the employment sector

in Uganda is certainly unbearable and un-sustainable. We have a government that seems clueless on how to deal with the scourge resolutely. We have leaders in government that do not give account to the citizens. It is our duty to fight theft of public resources and secure opportunities and employment.

THE PENSION CURSE IN UGANDA

Between the years 2010-2012, it has been reported that about 169 billion shillings had been stolen through the pension scheme. Some of the monies have mysteriously disappeared in the guise of pension payments to non-existing pensioners. Monies meant to clear outstanding pension claims of 1,018 former East African Community workers were stolen through Cairo International Bank, with connivance from top employees of the ministries of public service and the usual syndicate in the ministry of Finance. For billions of funds to evaporate from the public service unnoticed is not strange in a country like Uganda that is marred by money sucking vampires.

When the recent pension scam hit the news, the police swung into action like commandos on an urgent mission. They addressed the press, displayed pensioners' pictures, and encouraged them to provide details about their pension status. Immediately various suspects were arrested, some of whom included two principal accountants in the Public Service Ministry. It is reported that police had recovered 80

per cent of the property and companies alleged to belong to the duo, as well as documents connecting them to a number of properties and companies in and out of Kampala. Not surprising the suspects were released on bail after spending a few weeks in jail.

In a bid to try and respond to the pension scam the ministry of Public Service directed a reconciliation and clean-up of the salary and pension payroll to remove all ghost workers. It is laughable that our government still thinks of measures of hunting

the rat when it has already escaped. Yet this is not the first time for such scandals to happen in our nation, and it is not surprising therefore to witness scandal after scandal taking toll and those involved are either protected,

released and rarely fired.

We should think about the poor retired officials who after working under horrible conditions continue to suffer as a result of theft. Is the current government so heartless that all it cares about is the cosmetic image of the government? Just applying cosmetics to the skin will not take away the real cause of acne or blackness. The government needs to address the real issues here. The fountain of honour should take charge of his house because unprecedented theft has occurred right under his nose.

There seems little concerted initiative to fight official corruption in government partly because government itself, like its finance management system, has broken down. It is not again surprising that despite the commando action of police, the stolen pension monies have not been recovered and it is the poor, dis-advantaged voters and pensioners who have to continuously suffer at the hands of the thieves, and then vote them back into power.

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A pensioner reviews a list of ghost pensioners that was used to steal his and other pensioners' benefits.

SUMMARY OF CORRUPTION SCANDALS TO LOOK BACK AT



What we must do to get our money back?

Wear only black clothes every Monday to show you are tired of theft.

Until all the thieves have returned our money.

Isolate every thief implicated in a theft scandal. Don't invite them to your burials, weddings.

Do not buy goods or services from businesses owned by thieves. Support Ugandans working honestly to make a living.