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Speech By

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H.E. Yoweri Kaguta Museveni  
President of the Republic of Uganda

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On the Occasion of

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The 26<sup>th</sup> Anniversary of the  
National Resistance Movement

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*Kapchorwa District*

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*January 26<sup>th</sup> 2012*

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H.E. Obiang Nguema Mbasogo

President of the Republic of Equatorial Guinea & Chairman of the African Union;

H.E. Paul Kagame

President of the Republic of Rwanda;

Madamme Jeanette Kagame,

The First Lady of the Republic of Rwanda;

H.E. the Vice President of the Republic of Uganda;

Rt. Hon. Speaker of Parliament of Uganda;

The Rt. Hon. Chief Justice of Uganda;

The Rt. Hon. Prime Minister of the Republic of Uganda;

The Visiting Delegations from the Republic of Rwanda and the Republic of Equatorial Guinea

Members of the Diplomatic Corp

Ladies and Gentlemen,

I congratulate all of you on this occasion of the 26<sup>th</sup> Anniversary of the NRM Victory Day. You remember on the 29<sup>th</sup> of January 1986, when I was sworn in, I told you that that change was not a “*mere change of guards*”; that it was “not a mere change of persons manning the top leadership of the country”. I told you that it marked a “fundamental change”. This meant that the Ugandan society and economy would undergo fundamental changes. I read a lot of false statements in the newspapers and the numerous radios we enabled to come into existence are always awash with efforts to say that there has been no fundamental change. This is false. There have been fundamental changes, indeed, in all spheres of Uganda’s life.

The first fundamental change was freedom of speech. I do not believe that there is any country in the world that beats Uganda in the freedom of speech. Indeed, this right is always abused by peddling falsehoods. That is definitely a fundamental change. It would be better if that right was used constructively, to get solutions rather than peddling falsehoods.

The second fundamental change and the most important one has been in the economy. The annual GDP of Uganda in 1986 was 3.4 trillion shillings. It is now 39 trillion shillings. This is about a 12 times change in the size of the economy. The size of the economy would have been much bigger if it was not for the mistakes of the political class in delaying our programmes on Bujagali hydro power dam, the sugar projects and other investments. Even with the shortages of electricity, the economy of Uganda has been among the fastest growing economies of the world.

In the second half of the last decade, our economy was growing at the rate of 8% per annum. Only last calendar year, the Ugandan economy has withstood both external and internal shocks. External shocks included high oil prices in the world, a depreciating shilling (*requiring more*

*shillings to buy a dollar for imports) etc.* Internally, we have had the shocks of some droughts in some parts of the country, the effects of delayed projects such as electricity and sugar on account of political myopia as already pointed out and increased regional demand for food. Increased regional demand for food is not a problem but an opportunity. We should produce more food for ourselves, the region and the world. In spite of these external and internal shocks, the economy of Uganda grew by 6.7% last financial year and is estimated to grow by 5% this financial year. The GDP per capita using the Purchasing Power-Parity (PPP) method, was US\$ 334 in 1986, it is US\$ 1,244 today, the fact that the population of Uganda has more than doubled from 14 million to 34 million people today notwithstanding.

With oil, we shall be able to fund the development of electricity, the roads, the railway and scientific innovation without the need to rely on external funding. The economy will definitely roar. This oil was discovered by the NRM. The British failed to find this oil between 1920 and 1956 when they gave up the search. What has been achieved, therefore, are, indeed, the beginnings of a fundamental change in the economy — to metamorphose from low income country to middle income status.

The third fundamental change is in the human resource sector (education and health). In 1986, there were only about 2 million children in primary schools, about 190,000 children in secondary schools and 5,000 students in the Universities. We are now talking of 8.8 million children in UPE, 1.5 million children in secondary schools and 150,000 students in universities. Our scientists, who were being hunted and killed in the 1970s and 1980s, are now blossoming.

With some little support from the Government, they have made a lengthening list of inventions and innovations:

- The Kiira electric car;
- The banana flour and starch;

- The modernization of the banana juice (*eshande-mubisi*) processing;
- The modernization of many of the traditional food processing e.g. *Omukaro* (dried meat), *enkamyo* (milk culture for fermentation);
- Herbal medicine;
- The manufacture of vaccines for the new-castle disease in chicken and other vaccines;
- The bio-technology;
- The larvicides for the mosquito larvae;
- Machine building, etc.

There is really nothing our scientists cannot do. I salute these scientists such as Dr. Tokodri, Musaasizi, Dr. Kyamuhangire, Serunjogi, Dr. Muranga, Dr. Kwesiga, Dr. Nantulya, etc. These scientists have joined the oil scientists who helped us find the oil. These were: Eng. Kabagambe-Kaliisa, Kashambuuzi, Rubondo to mention only a few. If somebody says that this is not a fundamental change, then, he must be sick.

There has been a fundamental change in the area of security of person and property. Ugandans can no longer be killed with impunity. The army was disciplined right from the bush days. That is why this army is able to achieve difficult tasks — such as the mission of Somalia. A disciplined Army for Uganda is a fundamental change. If the political class were half as disciplined as the UPDF, Uganda would go very far and fast.

While we solved the problem of criminality and extra-judicial killings, we still have the problem of corruption in the form of embezzlement of public funds, bribery for officials to process documents and nepotism. This problem of corruption, however, will be solved as we solved all the other problems. Indeed, we have already started with the success of URA. We created

URA out of the old customs department, which used to collect only 4% of GDP as tax in 1986. The new URA is now collecting 13% of GDP as tax. The same way we solved the problem of corruption in URA, we shall solve the problem of corruption in the other sectors. The power over money of Government, over contracts and personnel employed by Government is with four officials in Uganda: the Permanent Secretary, the Chief Administrative Officer in a District, the Town Clerk in a town and the Gombolola Chief in a sub-county. It is these officials that have the key to the problem of corruption. Some unwise politicians may involve themselves in corruption but the key is with these four officials. If they are straight, nothing will go wrong. You all can see what Musisi has been able to do in Kampala in a short time. We need about 2,000 Musisis to man the ministries as Permanent Secretaries, the Districts as CAOs, the towns as Town Clerks and the sub-counties as Gombolola Chiefs. That is my plan – fighting corruption is war. It needs soldiers.

Uganda is about to take off. We have defeated Kony's terrorism in Northern Uganda. We have disarmed the Karimojong rustlers. We have discovered oil and our scientists are spreading their research in all directions (e.g. agro-industry, engineering, bio-chemistry, bio-technology, health sciences); etc. These factors will help Uganda to take off, in the next 10 years, in order to become a Middle Income Country. We already have, apart from the internal market of Uganda, the regional markets of EAC, South Sudan and Congo as well as the international markets. Therefore, what we produce will not lack markets. We need to solve three problems: develop infrastructure (electricity, roads, the railway, etc), pay the scientists salaries approaching international standards in order to retain them and political discipline – no riots by indisciplined elements. With our oil money, infrastructure development is assured. In the short run, the Government may issue an infrastructure Bond to finance roads like the one of Kapchorwa-Bukwo, etc. With improved infrastructure, the costs of doing business in Uganda will go down, thereby improving profitability of companies. That will attract more investments and enable the

existing ones to expand. That is what has been lacking for the last six years, ever since 2005, when load shedding started. That bottleneck is about to be resolved with the commissioning of Bujagali hydro power dam. Although there are competing demands, we must be able to pay scientists good pay. Political discipline needs stronger legislation.

I sometimes hear commentators saying that the high rates of growth in Uganda do not “percolate down” to ordinary people. This is not correct. Free Education to all means that those high rates of growth are “percolating down” to ordinary people. Security in the whole country means that benefits are “percolating down” to ordinary people, etc. However, most importantly, all Ugandans need to assist the “percolation” to the households. Especially for the families that are in Agriculture, it should be remembered that subsistence farming (working only for the stomach) is a prescription for perpetual poverty. All homesteads and leaders should remember my words of 1995: *kulembeka, kutangiriza, jolopii, aiga akipi, tach peko, yi okuza*, etc, meaning that the individual household, through shifting from subsistence farming to commercial farming, should tap some of this growth money to their households in the same way as we tap rain water into containers from the roofs of houses in the traditional way. Using the zoning method, each area should have a cluster of agricultural activities for food security and income generation that they unfailing engage in. Alongside skilling the youth in the whole country, this commercialization of agriculture, will tackle household poverty and youth unemployment. When we carry out our plan of value-addition to the whole range of most of these agricultural products, in other words broadening what we have already done for some of the products, Uganda will have consummated our industrialization plan.

The sky is the limit. I congratulate all of you and wish you good luck.

I thank you.

26<sup>th</sup> January, 2012

Kapchorwa