



## RESEARCH REPORT 10

Governance of Africa's Resources Programme

March 2012



# **The Power of Oil** Charting Uganda's Transition to a Petro-State

Petrus de Kock and Kathryn Sturman

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## ABBREVIATIONS AND ACRONYMS

ADF	Allied Democratic Forces
AFDL	Alliance des Forces Démocratiques pour la Libération du Congo-Zaïre
AMISOM	African Union Mission in Somalia
BMU	Beach Management Unit
CBO	community-based organisation
CNOOC	China National Offshore Oil Corporation
DRC	Democratic Republic of Congo
EIA	environmental impact assessment
GDP	gross domestic product
HSMF	Holy Spirit Mobile Forces
IDMC	Internal Displacement Monitoring Centre
IDP	internally displaced person
IEA	International Energy Agency
LDU	Local Defence Unit
LRA	Lord's Resistance Army
MLC	Mouvement pour la Libération du Congo
MP	Member of Parliament
NAVODA	Navigators of Development Association
NGO	non-governmental organisation
NRM	National Resistance Movement
PWYP	Publish What You Pay
TFG	Transitional Federal Government
UGX	Ugandan shilling
UIC	Union of Islamic Courts
UNLF	Uganda National Liberation Front
UPDF	Uganda People's Defence Force

## EXECUTIVE SUMMARY AND RECOMMENDATIONS

The report investigates the political impacts that oil is likely to have on Uganda. It argues that oil production will have transformative effects on Uganda's local, national and regional political relations.

To better understand these impacts, the report attempts to contextualise oil developments within a historical perspective. Since gaining independence from colonial rule in 1962, Uganda's military forces have played a significant role in politics. This is evidenced by a history of military-led coups, and by the survival in office of several post-independence presidents being dependent on creating a support base in the defence forces. In addition to the role the military has played in politics, the country has experienced several cases of armed insurgency and civil war.

Since 1986, when the National Resistance Movement assumed power, Uganda has made significant advances in terms of territorial consolidation and the expulsion of armed opposition groups. However, the power of the military, and the influence it still exerts on political developments in the country, should be considered a potential danger as the country heads for oil production. Recent dynamics, including militarisation of the country's border with the Democratic Republic of Congo (DRC), new arms purchases, and a history of military adventurism in the region, are important issues to monitor as the country advances towards becoming a petro-state.

Extensive fieldwork in the Lake Albert region, conducted as part of this project, found that perceptions of economic and political marginalisation in communities directly affected by oil developments could lead to grievance politics emerging in a volatile zone. Discourses on fear and distrust of the government and private companies abound among the region's communities. This includes concerns about the lack of a law governing the oil sector, fears of negative environmental impacts, and fears of forced community displacement to make way for oil infrastructure. Such fears and concerns shape perceptions regarding oil developments on Lake Albert, and could prove politically destabilising (at both a local and national level) if government and oil companies do not engage communities in co-operative governance initiatives.

### RECOMMENDATIONS AT A LOCAL LEVEL

- 1 To help prevent perceptions of socio-political and economic marginalisation taking root in villages of the Lake Albert region, the Ugandan government should institute open, transparent and participatory planning processes at the district and local government levels.
- 2 Oil companies and the Ugandan government should provide communities affected by oil exploration and production activities with information regarding development plans to allay fears of forced displacement in some communities, such as Ssebagoro, Kabaale and Kaseeta.
- 3 The government should, in co-operation with local non-governmental organisations and community-based organisations, create village or community forums in which

community representatives can openly discuss issues, such as the impact of oil developments on their livelihoods and villages. These forums should become the foundation of a co-operative governance model to be developed for Uganda's oil industry in districts directly affected by these developments.

- 4 There are several opportunities for constructive corporate social responsibility projects in the Lake Albert region. As new entrants to the region, Total and the China National Offshore Oil Corporation should consider supporting local projects, such as fish-cage farming in the lake; bee keeping; subsistence-farming collectives; constructing and supporting nurseries to grow indigenous trees; and providing sewage and water-supply systems to communities.
- 5 The government should investigate ways of reducing the costs communities have to incur when registering communal lands. Unregistered communal lands are prone to speculation, and land tenure manipulation by outside actors could, if uncontrolled, lead to an increase in intracommunal and intercommunal conflict.

### RECOMMENDATIONS AT A NATIONAL LEVEL

- 6 The Oil Bill should be tabled in parliament and promulgated as a matter of urgency.
- 7 Allegations of high-level corruption in the oil sector abound. Such cases contribute to a palpable sense of marginalisation felt by communities directly affected by oil activities. Corruption therefore poses not only a governance challenge, but has to be addressed in order to prevent grievance politics and local-level conflict from emerging in the Lake Albert region.

### RECOMMENDATIONS AT A REGIONAL LEVEL

- 8 The governments of Uganda and the DRC should implement key elements of the Ngurdoto Pact, including the need to reach an agreement on disputed territories, such as Rukwanzi Island.
- 9 Oil fields in the Albertine Graben are a shared resource. To avoid future tensions and conflict over oil extraction by Uganda, the DRC and Uganda should reopen negotiations on the shared exploitation and production of oil. This can provide a foundation for constructive regional co-operation.
- 10 Co-management of Lake Albert fish resources between Uganda and the DRC is critically important owing to the dependency of local residents' livelihoods on fish. The two governments should include environmental monitoring and co-management of the lake and its fish resources in their negotiations on development of the region.

## CHAPTER 1

### INTRODUCTION

Nearly two-thirds of the world's energy requirements are met through oil and gas supplies.<sup>1</sup> During 2006 the world's total oil reserves were estimated at 1 208.2 billion barrels; of which 65% was located in the Middle East, 12% in Europe and Eurasia, and 9.7% in Africa. Global demand for oil and gas continues to grow, especially due to increased energy consumption in major developing economies such as India and China. The International Energy Agency (IEA) estimates that global demand for energy will increase by one-third between 2010 and 2035; 90% of this projected growth will be a result of increased demand from emerging economies.<sup>2</sup> As a source of oil and gas, Africa has attained a new level of significance in recent years. From 1980–2006 world oil reserves grew by 1.7%, whereas Africa's oil reserves grew by 3.2%, nearly double the global average.<sup>3</sup>

Given oil's importance as a source of energy and the concerns about long-term security of supply – especially in light of the peak oil debate – every possible source of commercially viable and recoverable oil is significant for world markets. Although the Middle East holds the lion's share of the world's oil reserves, political instability in a crisis-prone region has led to increased pressure in the past two decades for access to alternative sources of oil – especially in Africa. The IEA's 2010–2035 forecast indicates that oil production from existing fields will decline markedly, and estimates that 47 million barrels of oil per day of gross capacity additions is needed to compensate for declining crude oil production.<sup>4</sup> The world's insatiable thirst for oil, and the projections of growing demand, point to the increasing importance of African sources of oil and natural gas in the coming decades.

Oil exploration activity on Lake Albert in Uganda, and the more recent increase in exploration along Africa's east coast (including Mozambique, Namibia, Tanzania and Kenya), has led some commentators to cite East Africa as one of the world's most exciting oil frontiers.<sup>5</sup> The discovery of commercially viable sources of oil in Lake Albert on Uganda's western border with the Democratic Republic of Congo (DRC) therefore forms part of a significant increase in exploration activity on the African continent.

It is estimated that by 2009, over \$700 million had been spent on exploration activities in Uganda's Albertine Graben. More than two billion barrels of oil reserves have already been identified, and oil industry analysts estimate that the Albertine Graben could hold up to six billion barrels of oil.<sup>6</sup> In 2008 Tullow Oil's country manager, Brian Glover, indicated that Uganda could earn potentially anywhere between \$2 billion and \$5 billion per year from its oil.<sup>7</sup> These numbers illustrate that Uganda stands on the threshold of an exciting new era in its post-independence history. Uganda will in all likelihood begin oil production during 2012.

Every resource has its own unique features and impact. For example, diamonds are a high-value and easily transportable resource. If smuggled in significant quantities they can fuel conflicts, as seen in the history of Angola, Sierra Leone and the DRC. Gold and other metals, such as coltan, are harder to conceal and smuggle, but can nevertheless



also fuel conflicts. In contrast to these resources, the identification of extractable oil, the refining processes it has to undergo, and its transportation require highly sophisticated technology and multimillion dollar investments. Conflicts where oil is concerned are most likely to occur for control over oil fields, grievances that emerge due to the social and environmental impacts caused by its extraction, or demands for a fair share of rents and revenues forthcoming from the sale of the resource.

In as much as global demand for oil will increase markedly over the next three decades, statistical indicators and projections do not show the social, political and environmental dangers associated with oil exploration and production. The report focuses on an analysis of these dangers, and how they manifest in the specific case of Uganda's oil developments on Lake Albert. The report therefore aims to highlight the unique governance, social and environmental challenges associated with oil exploration and production in Uganda. In order to achieve this, the report examines the local, national and regional social, political and environmental impacts of Uganda's oil. Three levels of analysis are applied to the study: the impact on the local community; impact on national politics and democracy; and the impact on Uganda's regional relations. Central to this analysis is the understanding that oil means power. The research question the report sets out to answer is: *What impact will oil exploration and production activities have on Uganda's internal socio-political conditions, and on its international political, economic or regional standing and behaviour?*

Chapter 2 of the report provides a brief discussion on Uganda's historical experience of state-making.<sup>8</sup> Besides its impact on policy and governance, oil exploration and production also have significant social and political implications. Accordingly, the report provides an overview of Uganda's post-independence political evolution, which has been characterised by several military-led coups, armed rebellions and insurgencies. Since independence, Uganda's military has played a central and often determining role in the country's politics. This section considers the unique internal political challenges the country has faced in its process of post-independence state-making. By identifying these historical dynamics, it is argued that the National Resistance Movement (NRM) government, led by Yoweri Museveni, is the first in Uganda's post-colonial history to rid the country of armed insurgents. The military's influence on Ugandan politics is one of the most significant issues the country will have to grapple with as it becomes a petro-state.

Chapter 3 presents results of fieldwork conducted in the Lake Albert region. The fieldwork's aim was to develop insight into the impact oil exploration and related developments have had on communities living in the Lake Albert region. The fieldwork component of this project aimed, in particular, to develop insight into discourses on oil developments that circulate in Uganda's Lake Albert region. The most significant threat an oil-producing country can face is that of local-level grievances, and perceptions of political and economic marginalisation. These usually form the foundation for the emergence of conflict. For this reason, the fieldwork set out to identify discourses on oil developments in communities directly affected by oil-related activities. Its objective was to identify key perceptions of, and perspectives on, oil developments in communities directly affected by oil operations. The fieldwork entailed a series of semi-structured interviews with community representatives who participated in the activities of the Publish What You Pay (PWYP) Bunyoro Chapter. Through observation of community meetings and the semi-structured interviews, the fieldwork identified concerns and observations of local communities regarding oil developments.

Chapter 3 also outlines a discourse analysis approach and analyses the findings of the fieldwork. The fieldwork uncovered several areas of concern. These include tensions relating to livelihoods, land and competition; and tensions regarding access to fishing resources, environmental concerns and a growing perception of economic and political marginalisation among communities affected by developments in the oil fields. The latter dynamic poses the greatest challenge to the future governance of the oil sector. Perceptions of marginalisation, if not addressed by government, could form the basis for more future resistance to government and corporate activity in the Lake Albert region.

Chapter 4 concerns the national level. It explores the effect oil may have on Uganda's democracy, and gives particular consideration to theories that claim oil is a hindrance to democracy. The section considers theoretical models on the patronage, rentier and repression effects that could take hold in oil-producing countries. The central question it seeks to answer is whether revenues from oil will strengthen the incumbent government, in particular President Museveni, who has been at the helm since 1986 when the NRM took control of the country.

Chapter 5 explores the analysis at a regional level. It considers how Uganda's regional behaviour and policy may be affected once it becomes an oil producer. Due consideration is given to the country's military adventures in the region. The section briefly assesses Uganda's controversial involvement in the wars that erupted in the DRC from the late 1990s, with Joseph Kabila's rebellion against Mobutu Sese Seko. It also looks at Uganda's involvement in the African Union Mission in Somalia (AMISOM) where, as a relatively small landlocked country, Uganda is making a significant contribution to a very important AU operation. Owing to its involvement in the Somali operation, Uganda has become a target of terror attacks launched by al-Shabaab. The section highlights recent evidence of contact between al-Shabaab and the Allied Democratic Forces (ADF) – an armed opposition group that fled to the DRC from Uganda during the 1990s. This poses a significant regional threat to Uganda, and in particular to its oil industry in the Lake Albert region.

## CHAPTER 2

### HISTORICAL BACKGROUND: WARRIORS IN POLITICS AND PROPHETS IN THE BUSH

PETRUS DE KOCK

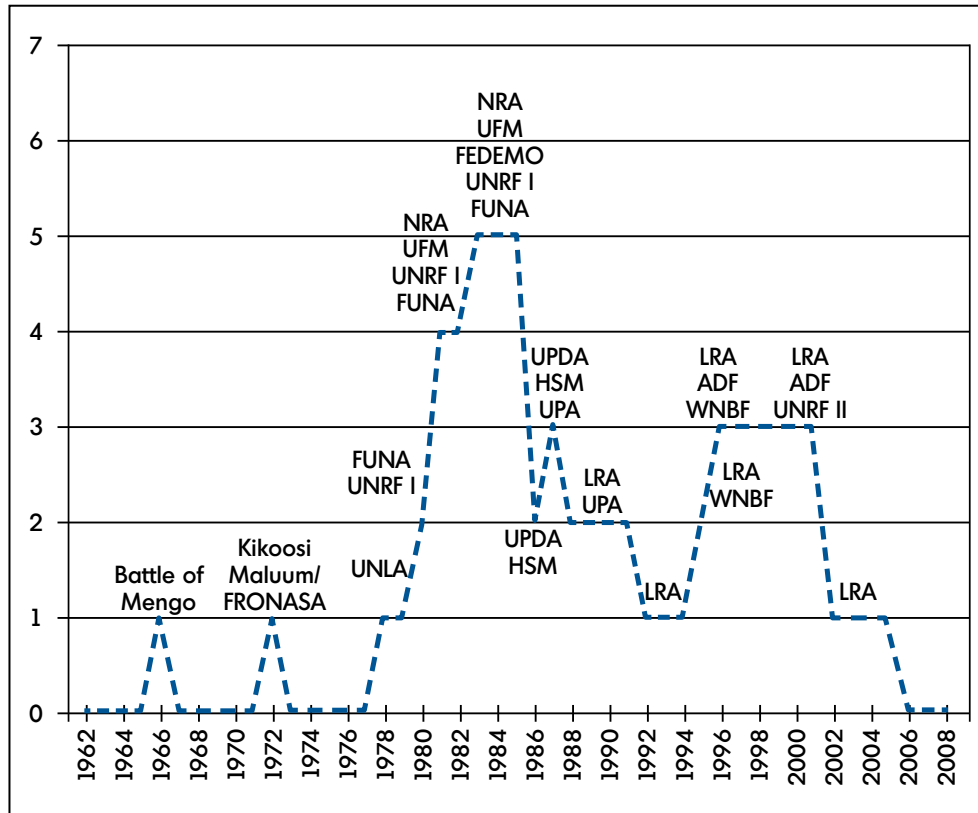
#### INTRODUCTION

Since independence on 9 October 1962, Uganda has experienced 15 civil wars, with only 17 of its 49 years as an independent country being entirely free of internal armed strife.<sup>9</sup> In addition to the destruction caused by civil wars, the country has also been subjected to military-led coups, and the political–economic instability ensuing from unconstitutional changes of government (see Figure 1 for a detailed account of Uganda's civil wars since independence). Due to this chequered political history, Uganda has had its fair share of political, social and economic trauma. However, in stark contrast to its regional neighbours such as the DRC and Southern Sudan, Uganda has managed to stabilise its territorial complex over the past decade by completely vanquishing or expelling armed opposition groups.

As illustrated in Figure 1, Uganda experienced an upsurge of civil war and related insurgent activity between 1977 and 1986. Since assuming power in 1986, Yoweri Museveni has had to contend with a total of seven armed insurgent organisations.

Studies devoted to issues of corruption, legal and policy frameworks to govern Uganda's oil and energy sectors, and the social impact of oil exploration activities do not examine Uganda's political evolution. Resource extraction is not a process that is devoid of historical context, which can take place in a socio-political vacuum. Furthermore, revenues and rents accruing from oil extraction do not only have an impact on state finances, governance structures or the general macro-economic prospects of the country. Just as important is the impact they may have on the political psychology of Uganda's leaders and citizenry. In order to identify some of the political implications oil production may have on the country, it is necessary to place the advent of oil exploration and production within a historical perspective.

Rather than embark on a detailed historiography of Uganda, the goal here is to identify a few select historical dynamics that have had an impact on state-making in Uganda. Petro-states are often highly militarised and conflict related to oil will often '... have its roots in pre-existing tensions in society.'<sup>10</sup> Conflict related to oil does not necessarily have to be violent, but can take several forms. An analysis of key themes and dynamics in Uganda's political history will assist in the process of identifying tensions or political dynamics that precede the discovery and advent of oil production. Estimates put Ugandan oil reserves at two billion barrels, and more discoveries could be made, with only 25% of

**Figure 1: Civil wars in Uganda, 1962–2008**

Note: FRONASA = Front of Salvation; UNLA = Uganda National Liberation Army; UNRF = Uganda National Rescue Front; FUNA = Former Uganda National Army; UFM = Uganda Freedom Movement; NRA = National Resistance Army; FEDEMO = Federal Democratic Movement; UPDA = Uganda People's Democratic Army; HSM = Holy Spirit Movement; UPA = Uganda People's Army; LRA = Lord's Resistance Army; WNBF = West Nile Bank Front; ADF = Allied Democratic Forces.

Source: Lindemann S, 'Exclusionary Elite Bargains and Civil War Onset: The Case of Uganda', Crisis States Research Centre Working Paper, 76. London: Crisis States Research Centre, August 2010, p. 1, <http://www2.lse.ac.uk/internationalDevelopment/research/crisisStates/download/wp/wpSeries2/WP762.pdf>

potential oil-yielding territories explored to date.<sup>11</sup> With oil production looming on the horizon (likely to begin in 2012), a major new revenue stream will become available to the state in the near future. Accordingly, this section seeks to identify the historical dynamics that have shaped Uganda's state-making process.

The political dynamics in Uganda's history to be interrogated here concern two interrelated themes. The first focuses on the role of the military in Ugandan politics and associated struggles with state-making; the second involves the country's civil wars. An interrogation of these themes will shed light on the unique processes of political evolution and territorial stabilisation that Uganda has undergone since the 1980s. It will also

demonstrate that on the eve of beginning oil production, Uganda bears little resemblance to the politically unstable, insurgency-prone territory it once was. Yet several lessons can be drawn from this history, which can assist in the analysis of Uganda's political prospects, and the potential dangers that may appear once oil revenues begin to trickle into state coffers.

## WARRIORS IN UGANDAN POLITICS

The German social historian, Otto Hintze, argues that political associations (such as the state) developed due to the human social need for collective defence, and offensive action.<sup>12</sup> Although hidden by layers of history, the evolution of the modern state – including liberal-democratic orders – is largely the result of the deployment of armed force. In the course of the history of the state, a well-documented discourse on the relationship between a civilian order and the military has evolved. This is because a primary task of a centralised state authority is to monopolise the war function and to deny armed opponents the opportunity to undermine the sovereignty and security of the state. Uganda's history shows that the country has had to contend with both the military exerting either direct control or indirect influence over politics, as well as extremely destructive insurgencies. Uganda's military organisation has therefore played a central role in the evolution of the state, and has had a defining impact on political practice in the polity.

The role the military played in Uganda's politics can to some extent be explained by Azar Gat's theory that military power and war play a determining role in the evolution of state systems.<sup>13</sup> State power is accordingly spread throughout a territory by means of military power. In Gat's view, the spreading of state power, '... had a unifying effect on its realm, as contact and integration increased through the binding effect of the state's apparatus'.<sup>14</sup> However, in Uganda's case military power did not have a unifying effect on its realm for many decades. The 'unifying effect' of the state, based on the distribution of military power, only emerged after the National Resistance Movement and Army, led by Yoweri Museveni, assumed power in 1986. The instances of military coups, rebel insurgencies and intrastate conflict in Uganda serve as evidence of Uganda's decades-long internal battles to stabilise the state, and for the state to gain control over its territorial realm.

The role military forces play in the development of states differs according to history, and political-economic, cultural and social conditions. In the case of Uganda, since colonial times the military has played not only the role of kingmaker in the country, but also – at several critical junctures in Uganda's post-colonial development – a central role in the country's politics. Amii Omara-Otunnu<sup>15</sup> argues that Milton Obote's stand-off with Kabaka Mutesa I (former king of Buganda) in the early 1960s is a seminal example of how the military was used as a tool to settle political disputes. In February 1962 Obote abrogated the constitution, which, among other things, enshrined the privileged position of the Buganda king. Even though the Buganda people are the largest ethnic group in the country, the continuation of the privileges they received during colonial administrations after independence left most other Ugandans dissatisfied. Omara-Otunnu notes in this regard that: 'By repealing the Constitution, Obote robbed Mutesa of the constitutional means to assert his authority in the nation.'<sup>16</sup> Obote proceeded to draft a new constitution that elevated him to the position of president, and ultimately resorted to sending the army

to search the king's palace for weapons. The political power struggle between Obote and Kabaka Mutesa was settled only when Obote dispatched the army to quash any possible political or 'security threat' forthcoming from the affronted Buganda: 'Although the struggle was of a political nature, it was only resolved by one party using the military as the instrument to attain its objective ... Henceforth the administration relied on the Army as its principal safeguard.'<sup>17</sup>

Uganda was at a very early stage of its post-independence political evolution, caught in a classic civil–military relations conundrum. Peter Feaver explains that the essential problem of civil–military relations is the military's role of having to face enemies and use coercive power to force its will on others. However, the coercive power of the military also gives it the capability to '... enforce its will on the community that created it.'<sup>18</sup> By using the military as a tool to settle a political dispute with the Buganda king, Obote paved the way for the military to become a major power broker in Ugandan politics.

On 12 April 1968 Idi Amin was appointed major general of the Ugandan military, becoming one of its most senior post-independence officers. His appointment coincided with growing tensions between him and Obote. To consolidate his position in the military, Amin recruited extensively from his own region of origin in Uganda (the northern regions). On 25 January 1971 Amin launched a successful coup against the government of Obote, which finally cemented the role of Uganda's military in politics. If the process of the military infiltrating politics began under Obote's rule, then Amin's successful coup against him firmly entrenched a pattern of military behaviour in Ugandan politics.

### **The fall of Amin in 1979 to Museveni's military takeover in 1986**

Uganda's political woes did not end with Idi Amin's departure in April 1979, when the Uganda National Liberation Front (UNLF) toppled Amin with the backing of 40 000 Tanzanian troops. After four months in power, the UNLF was wracked by severe internal dissent. The battle for political control over the country depended, once again, on politicians ensuring buy-in from the army. The military thus continued to play a central role in settling political disputes, while the survival of individual leaders, as well as the civilian government, depended on the military's backing.

Paul Omach argues that after the overthrow of Amin, '... violence and disorder continued, and the successive regimes were confronted with the problem of re-establishing societal and political order.'<sup>19</sup> The anti-Amin coalition was divided along regional, ethnic, military, political and ideological lines. Omach illustrates the instability that characterised the post-Amin order by indicating that Yusuf Lule, Amin's immediate successor, lasted only three months in office. Godfrey Binaisa, who in turn succeeded Lule, was to leave the presidency after a mere nine months. Upon Binaisa's departure, a military council took control of the country and organised highly controversial elections, which were won by Milton Obote in 1980.<sup>20</sup>

Obote's reign was marred by more conflict when Yoweri Museveni and the NRA launched an insurgency and war campaign to topple his government. The NRA rebellion was instigated by complaints that the election that brought Obote to power was flawed. In the fluctuating political conditions prevalent at the time, Brigadier Bajilio Olara Okello launched a successful coup against Obote on 27 July 1985. This was the second time that Obote's political career was brought to an abrupt end by a military-led coup. By this

time, the Ugandan warriors had carved an indelible niche for themselves in Ugandan politics while those who were still unsatisfied with the political situation, like Museveni, remained embroiled in armed confrontations with the state. This was only to come to an end on 25 January 1986 when the NRA rolled into Kampala to remove Okello, and his internally fragmented and institutionally weak government, from State House. Like many times before, Museveni's hostile takeover of the Ugandan government led the country to witness how men in uniforms toppled a government through violence.

Omara-Otunnu summarises the development of Museveni's regime and highlights the central role the military would come to play in his government:<sup>21</sup>

As under previous administrations, Museveni's Army plays a pivotal role in the political processes of the country. The significance of the military in the new regime is underscored by the fact that Museveni himself has occupied the portfolio of Minister of Defence. There are two major reasons why, for the foreseeable future, the military will remain at the forefront of politics. First, it is needed to pacify the country after five years of savage civil war. Second, military means are the only way to keep a firm hold over the country while Museveni creates a political constituency for himself. In this respect the National Resistance Army – which he both instituted and moulded and which owes considerable allegiance to him – is his most dependable ally.

Coups, military takeovers, and the central role the Ugandan military played in political developments in the country since 1962 thus clearly show how the warriors have come to occupy centre stage in Uganda's political evolution. However, things did change dramatically with Museveni at the helm. Although Museveni's power base may still, after twenty-six years as president, be the military, he did approach things differently to some of his predecessors. Ssemujju Ibrahim Nganda observes that militarism was the NRA and Museveni's political base when they took power in 1986. However, he also argues that Museveni '... never sought to rule Uganda militarily'.<sup>22</sup> Instead of following in the evil footsteps of Amin or the incompetent military rulers that appeared between 1979 and 1986, Museveni aggressively pursued the co-optation of officials and leaders from other political parties into his government. Museveni thus maintained a strong link to the military, but also undertook the complex task of building a political support base outside the armed forces.

## **ALICE LAKWENA AND JOSEPH KONY: PROPHETS IN THE BUSH**

As illustrated in Figure 1, during the course of Uganda's post-independence history, no less than 13 armed rebel groups fought incumbent governments to attain power. Each of these movements, and the attendant reasons for their respective insurgencies, deserve detailed analysis and interpretation. However, the conclusion to be drawn from this history is that Uganda's internal political, ethnic and ideological differences combined with presidential incumbents' regional biases led to a total breakdown of national consensus, and often ended in bloodshed. For the purpose of the current discussion, it is notable that far from inheriting a stable territorial complex, the NRM government under Museveni was soon to

be put to the test in protracted conflicts in northern Uganda following its hostile takeover of the government in 1986.

Heike Behrend argues that by 1985 about two-thirds of Uganda's armed forces originated from northern ethnic groups. This is because Milton Obote, himself a Lango from the north, recruited soldiers from territories favourably disposed to him. Like Amin, Obote thus built a political support base by constructing an army along ethnic lines.<sup>23</sup> Uganda's military under Obote included large numbers of Acholi soldiers from the north. When the NRA took control of Kampala, thousands of Acholi soldiers fled back to northern Uganda. These fleeing, disaffected soldiers were to become a handy source of fighters for the insurgencies that were to break out after 1986. Yet these insurgencies proved to be different from previous insurgencies due to the unusual leaders who emerged from a deeply traumatised northern Ugandan population.

Students of civil war, insurgency and armed conflict often sidestep one of the more complex sociological and psychosocial phenomena associated with such conflicts: the involvement of spirit mediums, and the appearance of prophets in guerrilla movements. The Sudan People's Liberation Army in Southern Sudan, and Renamo during the Mozambique war of the 1980s, have extensive evidence of guerrilla outfits making use of prophets, spirit mediums and diviners.<sup>24</sup> It may therefore come as no surprise that northern Uganda played host in the late 1980s to two powerful spirit mediums who occupied leadership positions in guerrilla movements.

The first unusual leader to emerge from northern Uganda was a young woman named Alice Auma. She was later to become infamous and known by the name Alice Lakwena. Lakwena started making a significant impact on northern Uganda towards the end of 1986.<sup>25</sup> Her appearance coincides with the collapse of the Obote regime, when Tito Okello and Basilio Okello mobilised Acholi troops to attack and overthrow Obote. Tito Okello was briefly installed as president, until Museveni assumed power. Tim Allen provides a detailed account of the political and social conditions under which Alice Lakwena started her insurgency. At a mere 27 years of age, Lakwena worked as a spirit medium and healer close to Gulu town.<sup>26</sup> What makes her influence on northern Uganda's politics even more significant is that, as a young woman, she managed to subvert patriarchal and related cultural prejudices, and became a feared and respected leader.

Lakwena was a spirit medium who claimed to 'channel' spirits that instructed her and her followers on strategy, principles, and the cause of conducting war against Museveni. She was first possessed by a spirit in early 1985, and later by several others whom she named as Miriam, Medina, Sheban, Invisible Chairman, a North Korean and Wrong Element. The most important of these was the spirit called Lakwena who, according to Tim Allen was, '... a former Italian army officer who drowned in the Nile at the age of ninety-five, and was a 'God-fearing and disciplined person.'<sup>27</sup> The spirit Lakwena would ultimately appear through Alice to instruct and guide the armed insurgency against the NRA.

Starting off as a young spirit medium and healer, Alice Lakwena was soon to be catapulted onto the national and international stage owing to the political impact of her Holy Spirit Mobile Forces (HSMF). At the height of her military campaign, the HSMF had between seven and ten thousand 'troops' in the field. Her military objective may have been to attack and unseat Museveni's NRM in Kampala, but, as Tim Allen points out: 'After their surrender in December 1987, former followers stated that they were not fighting



against Museveni but for God and for judgement.' The HSMF aimed to purify themselves and the world of evil, and the consequences of the evil deeds humans inflict on one another. Important to highlight though, is that Alice's primary motivation was to purify the Acholi who, she argued, had been the cause of much suffering, destruction and death in Uganda. Accordingly, Alice and, through her, the spirit Lakwena issued instructions to the Acholi and other followers about their conduct that included prohibitions on wearing lucky charms, tobacco and eating food prepared in saucepans.<sup>28</sup>

The HSMF route of conquest took her from Gulu in northern Uganda to Lira, Soroti, Kumi, Mbale and ultimately Jinja, close to Kampala. Her forces were vanquished by the NRA at Jinja, from where she fled into exile in Kenya, where she lived until her death on 17 January 2007 in a refugee camp. Yet the story of northern Uganda's insurgency does not end with the NRA vanquishing the HSMF on Kampala's doorstep in 1987. Joseph Kony, leader of the notorious Lord's Resistance Army (LRA), claimed to be a relative of Alice Lakwena, and began to mobilise his own forces for an assault on the Museveni government.

Compared with the LRA, the HSMF was a relatively short-lived phenomenon, although, in stark contrast to Kony's forces, the HSMF came the closest to directly threatening the seat of political power in Kampala. From 1987 onwards, Kony began a dreadful campaign of plunder, abduction, rape and war. Unlike Alice Lakwena, Kony's war effort was linked directly to a vision of imposing strict Christian fundamentalism or a 'ten commandment orthodoxy'. He also claimed to play host to several spirits or ghosts that spoke through him. The humanitarian impact of Kony's LRA remains like scars on northern Uganda and far outstrips the impact the HSMF had on Uganda's population. The civilian population of northern Uganda were not only targeted by Kony's forces, but ended up being forcibly moved into internally displaced person (IDP) camps by Museveni's NRM government. The Internal Displacement Monitoring Centre (IDMC) indicates that from 1996 the government initiated a policy of forcing civilians into IDP camps, which it described as 'protected villages'.<sup>29</sup> The IDMC estimates that by the end of 2005, nearly 1.8 million people had been moved to IDP camps. The devastation brought about by the NRM–LRA conflict between 1987 and 2006 was clearly both a humanitarian and economic catastrophe.

In August 2006 the government of Uganda and the LRA signed a Cessation of Hostilities Agreement. The IDMC notes that between May 2007 and February 2008, the LRA and government negotiated seven agreements. However, Joseph Kony did not arrive to sign the seventh and most important of these agreements, which would have cemented the peace. The LRA has since been effectively removed from Ugandan territory. However, it has begun operating in the DRC, Central African Republic and Southern Sudan. The IDMC indicates that: 'The LRA reportedly killed at least 2 385 civilians and abducted over 3 000 others in the central African region between September 2008 and November 2010 ... The actual number of victims is probably far higher.'<sup>30</sup>

Following the LRA's relocation to the regional political theatre, Uganda has been able to stabilise its northern territories. Most of the IDP camps in northern Uganda have been closed down, and a semblance of normality has returned to the country's northern regions. This accomplishment has lent much impetus to the political appeal the NRM holds for Uganda's rural population, who felt the sting of the LRA's merciless insurgency.

## CONCLUSION

If an image is worth a thousand words, then the photoshopped rendition of General Yoweri Museveni in Rambo-esque guise tells an important story about Uganda's longest-serving president. If viewed from the perspective of classic state theory, Museveni can be credited for his ability to remove, pacify or vanquish armed opposition groups from Uganda's territory.

As military strongman, Museveni has proven himself to be an effective guerrilla who fought for, and obtained, political power through the barrel of a gun. Yet after assuming responsibility as head of state, he systematically battled seven armed guerrilla movements that challenged his and the Ugandan state's authority since 1986.



*Poster of President Museveni on a Kampala street*

The history of warriors in politics and the appearance of prophets in the bush provide important background information for an analysis of the political impact oil production may have on Uganda. On the one hand, Uganda's volatile and conflict-ridden political history does not bode well for the advent of oil production that has, in places like the Niger Delta, turned the oil-producing region into a perpetual battlefield. On the other hand, the NRM government, under Museveni's leadership, has made positive progress in developing the economy, stabilising the territory and moving Uganda away from its history of internal conflict.

The effects of guerrilla warfare and Uganda's deeply entrenched military structures, however, also mean that oil production can lead to further militarisation of the country, its regional standing, and potentially its internal politics. During April 2011 Uganda's *Sunday Vision* newspaper carried a front-page story about significant arms purchases the government was embarking on at the time.<sup>31</sup> The report quotes Lieutenant Colonel Felix Kulayigye as attributing the purchase of eight fighter jets, tanks and other military hardware to helping to safeguard the country's strategic oil industry on its western border with the DRC. Approximately \$740 million would be needed to finance these purchases. According to *Sunday Vision*: 'The Wall Street Journal quotes Ugandan Intelligence officials as saying that Uganda is facing rising threats stemming from neighbouring South Sudan's impending secession from Khartoum, following an independence vote.'<sup>32</sup>

Militarisation often accompanies oil extraction operations, and Uganda is no exception to this dynamic. Owing to Museveni's personal history of involvement in and influence over the Ugandan military, it may come as no surprise that its armed forces will be both emboldened by the prospects of oil revenues, and in turn bolstered to protect oil installations. The political concern in this regard is that a strengthened military may revert to its old political tricks in Uganda to manipulate, influence and direct political processes from the shadows. As it stands, the Uganda People's Defence Force (UPDF) still has 10 'special representatives' in the Ugandan parliament, showing the extent to which the army should be considered as a special interest group in the country's political framework.

Museveni's inauguration during May 2011 to serve yet another term as president has marked Uganda's entry into a precarious phase in its post-1986 political trajectory. Civil society and opposition complaints about high-level corruption, a lack of transparency regarding decisions on the country's oil industry, and growing unease at the NRM domination of Uganda's political scene will probably translate into evermore vocal challenges to the Ugandan leadership in coming years. It remains to be seen whether Museveni will hang onto power for as long as possible, or whether he will allow his accomplishments since 1986 to be used as a firm foundation for his successors to take Uganda forward into a highly exciting new phase in its history.

Although Museveni may be a 'military man', he has been credited as the first Ugandan leader to bring the army under control. These sentiments were expressed by several interviewees during fieldwork conducted in western Uganda during 2011. A more detailed account of these views can be found in Chapter 3 of the report. Despite Uganda's military playing a significant role throughout Uganda's post-independence history, Museveni's heavy hand has managed to stem the tide of armed brutality Ugandan armed forces unleashed on the population under rulers such as Milton Obote and particularly Idi Amin.

Uganda's history of civil war presents a bad historical precedent that may hold negative implications when the country starts oil production. Grievances related to exclusion

from benefits accruing from or political frustrations inspired by the negative social and environmental impacts of oil production could, at least theoretically, unleash the genie of civil war and insurgency in Uganda. However, as discussed in subsequent sections of this report, Ugandans living in oil-producing regions have bad memories of being subjected to the vagaries of Idi Amin, and the hit-and-run tactics of wayward guerrilla movements. There also seems to be no social appetite for conflict and the suffering that comes with it. It is nevertheless important to take note of the complex history of internal strife Uganda has experienced, especially given that Uganda's oil-producing region is nestled in the midst of a rather unstable region. The history of civil war thus acts as a lesson and a warning. It is a lesson on the accomplishment of attaining territorial stability; and a warning that if oil revenues and the social impacts of oil production are not managed well, Ugandans can also resort to violence to end the rule of an unsavoury government.

## CHAPTER 3

### DISCOURSES OF MARGINALISATION AND UNCERTAINTY IN THE LAKE ALBERT REGION: A REPORT FROM THE FIELD

PETRUS DE KOCK

#### INTRODUCTION

Hoima, a medium-sized town in western Uganda, has become the focal point of the country's oil industry in the past five years. By car, Hoima is about a two-to-three hour journey when travelling from Kampala. The well-maintained tarred road snakes through Busunju, Lunya, Kiboga and several other small villages along the way. At Hoima, the tarred roads fizzle out and a network of treacherous gravel roads begins that runs towards Lake Albert and Uganda's western border with the DRC. In the Bunyoro language, Lake Albert is known as Lake Mwitanzige. Local perception of Hoima has changed dramatically in the past few years. Inspired by oil discoveries, a local radio station, Spice FM, started calling Hoima 'Oil City'.



*Street scene from Hoima (Oil City), Western Uganda*



This chapter reflects on the findings of field research conducted in the Lake Albert region. The research process targeted several local parishes and fishing villages located on the lakeshore, and towns such as Kabaale located on the escarpment above the lake, in an area earmarked for the construction of a new oil refinery. It gives a detailed account of the research methodology and theoretical approach adopted in the study. The field research focuses on discourses regarding oil developments and the related impacts in villages located in their direct vicinity.

The first research question that guided this fieldwork investigation is: How are local residents responding to oil developments, what are their key concerns, and how do these concerns shape discourses on oil? The second research question is: What are the environmental impacts of the oil developments? In terms of the latter question, it should be noted that subsistence farming and reliance on fish resources form the economic foundation of the lives of people on Lake Albert. Through the second question, the research aimed to assess the extent to which oil developments have an impact on not only the natural environment, but also the livelihoods of residents who depend on fish resources, and land that communities have to utilise for their subsistence farming activities.

The research was conscious of the fact that oil developments in Angola and Ghana, and in Namibia's recent oil discoveries, are predominantly offshore. Uganda's oil occurs in a densely populated and historically unstable region that is to some extent comparable to the Niger Delta. The research aimed to assess how the processes of change brought about by oil exploration and production could stimulate new political and conflict dynamics in the region. It found that specific issues such as land ownership, pressure on livelihoods, population increase and social uncertainty, as expressed in discourses on oil, point to dynamics that, if unchecked, will emerge as new political tensions and conflict.

The emerging themes from discourses on oil developments highlight the importance of being mindful of the political psychological impact major extractive industry activities can have on residents affected by such operations. During the fieldwork a journalist from Hoima related the story of how, when he was filming Tullow Oil's drilling operations in the Buliisa area, some villagers approached him, upon which a lengthy discussion ensued. The villagers complained that they would not benefit from oil, but that if they could only talk to the 'oil people' they would ask for some oil for themselves. The journalist then asked what they would do with crude oil fresh from the ground. The villagers answered that they would put it in drums, set up a stall by the side of the road, and make money by selling the oil themselves.<sup>33</sup> Although technically wrong, they are right in principle: the locals have every right to a share in the oil wealth.

This story is both tragic and funny. It is tragic because it illustrates the potentially dangerous lack of understanding of the oil industry and the resource itself. The locals are not to blame for this. As illustrated further on in this chapter, a lack of information on oil activities, and high expectations of what oil could mean for the region, foment all kinds of rumours and ideas about oil. The research found that both government and the oil companies are complicit in withholding information, excluding communities from planning processes, and thus creating a dangerous political situation where fears, high expectations and a lack of appropriate local and national governance interventions may cause new conflicts and political tensions to emerge in future.

## THEORETICAL AND METHODOLOGICAL BACKGROUND

Debates on resource governance focus primarily on two sets of actors that play a role in and shape processes of resource extraction. The first is corporate actors related to exploration and the development of specific extractive operations, whose activities are scrutinised or criticised. The second actor that features largely in analyses of extractive operations is the state. In terms of state actors, questions are asked about policy and legal frameworks, transparency, institutional capacity to manage and monitor extractive industries, and the manner in which the state manages revenues from resources. The voice of communities, and the negative social and environmental impacts experienced by people who live in the vicinity of major extractive operations, are often drowned out by the overbearing financial muscle of corporations, or by the power a state wields to impose policy and development plans.

This research into developments in Uganda's oil-producing regions sets out to interrogate the perceptions, perspectives and debates regarding oil developments that appear in the societal nexus. The societal nexus is the network of people and institutions that, if taken together as a whole, constitute a *social environment* within which extractive industries and the state operates. The goal with the fieldwork was therefore to identify discourses regarding the oil developments and consequently to develop insight into the potential political impact, conflict trends and grievances that may emerge in the societal nexus.

As discussed, Uganda's historical experience is characterised by military-led coups, armed rebellions and insurgencies directed against several regimes, including those of Milton Obote, Idi Amin, post-Amin administrations and the government of Yoweri Museveni. The fieldwork therefore aimed to identify discourses on oil that may have political implications, and that point to issues that can shape conflict dynamics in western Uganda as oil operations expand.

The fieldwork aimed to identify answers to two basic research questions.

- How are local residents responding to oil developments, what are their key concerns, and how do these concerns shape discourses on oil?
- What are the environmental impacts of the oil developments?

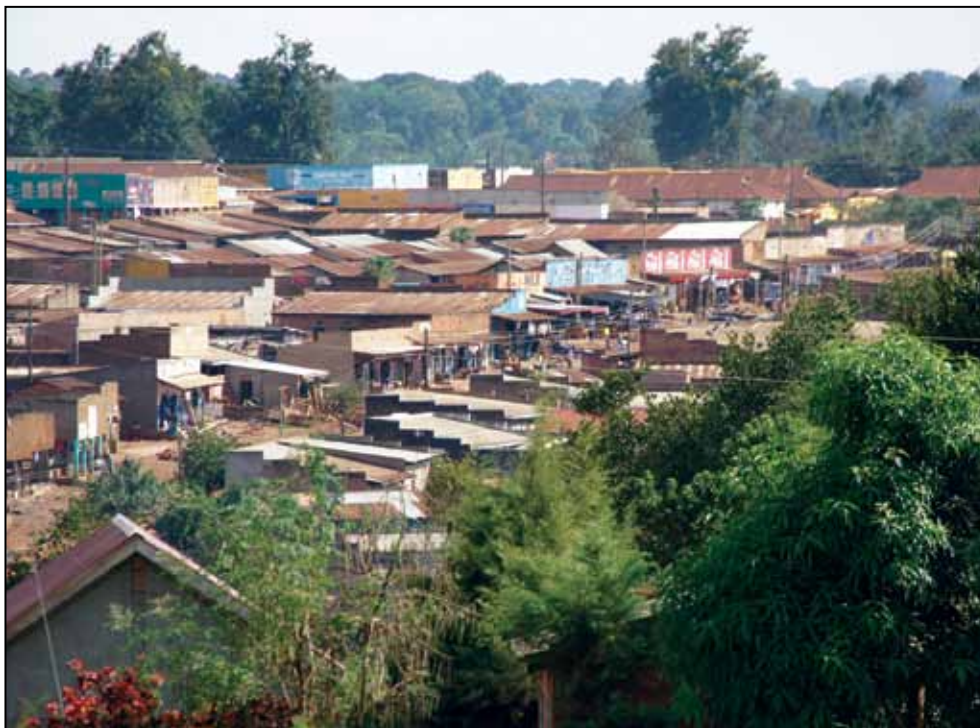
The methodology that guided the fieldwork investigation is discourse analysis. Important to note in this regard is that a social constructionist approach was adopted in the analysis of discourses that emerged from interactions with communities on Lake Albert. The aim with constructionist analysis is, as Terre Blanche, Durrheim and Kelly point out, '... to link accounts to actions. In discourse analysis, texts are examined for their effects rather than their veracity; the question is "what do texts do?", not "what do they say?"'<sup>34</sup> A discourse is defined as, '... a system of statements which construct an object.'<sup>35</sup> This means, according to Terre Blanche, Durrheim and Kelly, that discourses construct particular realities.<sup>36</sup> The first question therefore aims to identify the manner in which discourses on oil construct perceptual realities in the Lake Albert region.

In order to identify discourses on oil, the field research focused on the activities of PWYP advocacy committees in local communities. The fieldwork entailed a series of semi-structured interviews with community representatives who participate in activities

of the PWYP. The researcher also accompanied the Navigators of Development Association (NAVODA) as an observer at a series of PWYP community meetings. The range of actors represented at these meetings included local government officials and officials from district councils; political party representatives; residents; fishermen and subsistence farmers; chiefs and tribal elders; and community-based and non-governmental organisations.

The following villages were visited in the course of the fieldwork: Hoima, Buliisa, Kaiso-Tonya, Murchison Falls National Park, Sebagoro landing site and fishing village, Igwawjira Parish, Bubogo Parish, Nkondo Parish, Kaseeta Parish, Kabaale Parish, and Tonya fishing village. The approach taken was to listen and learn from the discussions on the impact oil developments have had, and to identify the common threads and themes that appeared in PWYP meeting discussions. Being an observer at community meetings presented a valuable opportunity to identify issues, concerns, hopes, fears and suggestions regarding oil developments. The following sections reflect on the most common themes of discussions during PWYP meetings.

The perceptions of residents, as voiced in particular discourses on oil developments, are instructive as to the realities residents perceive. Such discursive realities in turn shape social and political behaviour. As discussed, research into resource extraction often focuses primarily on corporate and state actors, their decisions, policies and related behaviours. Research in this report, however, proceeded from the methodological assumption that political and conflict dynamics in resource-rich geographical spaces are shaped by a triadic relationship between the state, corporate actors and the societal nexus. By researching the societal nexus' responses to, and perceptions of oil developments in western Uganda, the fieldwork aimed to identify the points of friction and major concerns that may form the



*View of Hoima, seat of the Bunyoro Kingdom*



foundation of grievances against corporate and state actors. This approach proceeds from the understanding that ‘the issue of resource extraction is therefore not only a concern of states and corporations, but is largely defined by the societal nexus wherein both the State and extractive industries operate.’<sup>37</sup>

Resource extraction operations are notorious for alienating residents, and blatantly ignoring the plight of people while super profits accrue in offshore bank accounts from the sale of the resource. What emerges from such friction is grievance politics and the likelihood of the societal nexus becoming hostile to both corporate and state actors that champion an extractive operation. It is therefore important to understand that ‘the societal nexus wherein states and corporations operate is a politicised space where the experiences of displacement, poverty, and alienation give rise to actions that challenge reigning orders.’<sup>38</sup>

By identifying discourses regarding oil developments on Lake Albert, this research set out to identify the existential frustrations that may, if not addressed by state or corporate interventions, form the foundation for social actors in the region to challenge ‘reigning orders’ – in this case the Ugandan state and Tullow Oil. The China National Offshore Oil Company (CNOOC) and Total have signed a deal with Tullow Oil for production of the resource, and will therefore also be scrutinised by communities eager to follow developments in the oil sector.

In terms of the fieldwork approach, some theoretical insights were borrowed from Henri Lefebvre’s work on social space. He draws attention to the fact that ‘social spaces interpenetrate one another and/or superimpose themselves upon one another.’<sup>39</sup> Social space is therefore non-static, and is as Lefebvre argues, characterised by ‘hypercomplexity.’<sup>40</sup> Important for the approach adopted here is that such hypercomplexity of social space(s) can be an aid in the analytical process. In this regard, Lefebvre observes:<sup>41</sup>

The principle of the interpenetration and superimposition of social spaces has one very helpful result, for it means that each fragment of space subjected to analysis masks not just one social relationship but a host of them that analysis can potentially disclose.

Several sets of interlocking social relationships permeate the societal nexus on the shores of Lake Albert, and in particular some of the areas directly affected by oil exploration and production activities.

## THE FIELDWORK: STUDYING OIL DISCOURSES IN THE SOCIETAL NEXUS

### **A perspective on politics and oil from the Bunyoro Kingdom**

In pre-colonial times, Bunyoro was the largest of Uganda’s kingdoms. At the time of colonisation, the Bunyoro Kingdom was far larger and stronger than Buganda’s.<sup>42</sup> However, the British established a relationship with the Buganda people that favoured them, which led to the expansion of Buganda at the expense of Bunyoro. Earlier in the report, reference was made to Uganda’s early post-independence history during the 1960s, when Milton

Obote abrogated the constitution and brought an end to the privileges the Buganda king had at the time. Obote's actions also led to the abolishment of all kingdoms, and the Bunyoro king fled into exile in Zaire, known today as the DRC.<sup>43</sup> According to a Bunyoro elder, prior to their abolishment the kingdoms had their own small armies, levied taxes and played a substantial role in the organisation of people.<sup>44</sup>

The disbandment of Uganda's kingdoms had a severe impact on its culture and people.<sup>45</sup> However, after seizing power in 1986, Yoweri Museveni reinstated the kingdoms.<sup>46</sup> According to the current constitution, the kingdoms are recognised as cultural organisations; the kings and other traditional leaders are not allowed to be involved in politics. The kingdoms are therefore subservient to the state, and according to the Bunyoro elder, President Museveni continues to remind the kingdoms that if not for him, they would not have been reinstated.<sup>47</sup>

Historical tensions between the kingdoms and government led to the establishment of the Kings and Cultural Leaders Forum of Uganda. The kingdoms use this body to lobby government, and try to exert influence on decisions and raise issues with government. However, in the case of the Bunyoro people, oil discoveries in their territory have added a new level of frustration to already existent perceptions of political marginalisation. The elder argued that the marginalisation of the kingdoms results directly from the severe limitations government imposes on the kings. The kings are, for example, prohibited from travelling outside of Uganda. There have even been occasions in which President Museveni has prohibited the Buganda king from travelling to parts of his own kingdom.<sup>48</sup>

When the topic of oil developments came up for discussion, the Bunyoro elder pointed out that given its political marginalisation, the kingdom has not at any stage been consulted about oil developments taking place in its region. He noted that: 'They



*Tullow Oil signpost on Hoima-Buliisa road*

[the government] do not listen to us.<sup>49</sup> This statement was quickly followed by a critical question: 'What is our stake in the oil developments?'<sup>50</sup> He also asked: 'What benefits will come to the kingdom and our people?'<sup>51</sup> He then answered his own question: 'We will only be left with holes, and pollution left behind after the oil is depleted'.<sup>52</sup>

Questions about the Bunyoro Kingdom's share of oil revenues also came under discussion when a community representative at Ssebagoro landing site argued that: 'The Bunyoro kingdom asked government to receive a percentage of the income from oil. No answer has come from government to date.'<sup>53</sup> These comments highlight the concern in the kingdom about their lack of consultation. The Bunyoro elder also expressed concerns about the environmental impact oil production may have on villages and the lives of people, especially in terms of flaring, air pollution, possible oil spills, and the increase in traffic. At the conclusion of the interview, the elder exclaimed that '... the Bunyoro people are very quiet and passive. But, like a boil it will burst if their concerns are not listened to, and their voices not heard by government.'<sup>54</sup>

This interview raised several important political issues. The historical experience of political marginalisation is compounded by a perception that government is sidelining the kingdom yet again in terms of oil developments. Other interviewees echoed the sentiments raised by the Bunyoro elder. What thus emerges is a discourse of political marginalisation, frustration at the lack of consultation, and a perception that the Bunyoro people will not benefit from the lucrative oil resource that has been discovered in their territory.

### **The dusty town of Buliisa: An encounter with the PWYP Bunyoro Chapter**

The Bunyoro elder raised political frustrations of a general nature, whereas an interview with a representative from a prominent community-based organisation (CBO) based in Buliisa shed much light on more specific frustrations villagers have regarding oil developments. Buliisa is located near the northern tip of Lake Albert, and close to the Murchison Falls National Park. During the interview, the CBO representative related an animated tale of being arrested on two occasions due to advocacy work concerning oil developments.<sup>55</sup> During one of the encounters, he had arranged for the screening of a documentary that dealt with the negative environmental impact oil extraction activities have had on the Niger Delta. Although he is a resident of Buliisa, it did not prevent government officials (and especially some of the security organs of the state) from trying to intervene and break up the gathering.

The CBO representative discussed what he saw as the most important positive and negative impacts oil exploration activities have had on Buliisa. On a positive note, he indicated that Tullow Oil has supported education initiatives in the area; provided tree seedlings to local farmers; drilled wells to provide water to communities in some areas; and assisted in the rehabilitation of certain roads. The most visible improvements to come through a Tullow Oil initiative have been, he contended, the construction of village health centres and employment of locals as casual labourers on the oil drilling sites.<sup>56</sup> However, these positive comments are overshadowed by a lengthy list of negative consequences and concerns.

The negative impact of oil exploration that emerged from the discussion falls within two broad categories of land and related environmental concerns. In terms of land, the CBO representative raised an issue that was to emerge at each of the subsequent PWYP



*Trucks passing through Buliisa*

meetings attended in the course of the fieldwork. Land in the Buliisa area is owned communally,<sup>57</sup> and residents therefore do not have title deeds to prove ownership. As a result, speculators have exploited this situation to access portions of land via local contacts. The community is worried that their traditional lands may be lost owing to their inability to prove ownership. The CBO representative also claimed that powerful individuals with political connections have been manipulating the land tenure situation in Buliisa. In response to this manipulation, President Museveni has imposed a moratorium on the processing of any land titles in the Buliisa area, and has ordered an investigation into shady land transactions that have already been concluded.<sup>58</sup>

Further frustrations regarding the impact exploration activities have had on farming activities emerged from the interview. The CBO representative complained that seismic lines laid down for geophysical surveys interfered with people's gardens and crops: 'In some cases roads were made through gardens.'<sup>59</sup> In some instances, Tullow Oil had scraped roads to access drilling and other exploration sites. These interventions have led to the destruction of crops, with little or no compensation paid out for these losses. However temporary the interruptions may have been, they form the foundation for criticism of Tullow Oil operations, and the apparent unwillingness of government to ensure that communities are protected from negative impacts related to oil developments.

The CBO representative furthermore argued that pressure on land is further exacerbated by a rapidly increasing population. He indicated that the Buliisa area and other villages along the lake have experienced a rapid increase in the number of Congolese families settling there.<sup>60</sup> This issue became an important subtheme of the research and will be reflected on in more detail below. Land thus emerged as a highly emotional and

politicised issue in the oil-producing region, and will hold dire political consequences if not handled properly by government.

### **The complexities of communal land ownership**

With about 80% of Uganda's population living in rural areas, the livelihoods of people are tied directly to their ability to access land for subsistence-related activities. Western Uganda and the Lake Albert region are no exception to this larger demographic and socio-economic pattern. People either have to subsist on what they can grow, or are dependent on the fish they manage to catch in the lake. This section explores discourses on land in more detail, with specific reference to statements, concerns and fears about land rights that were expressed at PWYP committee meetings.

The theoretical and methodological approach to the fieldwork discussed referred to the need to identify the multiplicity of forces that act within a given social and environmental space. In terms of the discussion on land, the emergence of social tensions – and a discourse of fear and uncertainty regarding land – results from the clash between a multiplicity of economic, social and political forces in the region. The forces vying for access to land include corporate actors on the one hand, such as Tullow Oil, and communities on the other. Tullow Oil requires unbridled access to land to conduct seismic studies, to identify suitable drilling sites, and to construct oil wells and ultimately pipeline infrastructures to bring the resource to market. Communities feel the impact of these exploration activities while an increasing population, and an influx of people from the DRC, put further pressure on available land resources.

It is not only the people living directly on the lakeshore who feel the pinch of land issues. In the Bubogo and Kabaale Parishes located on the escarpment above the lake, villagers also expressed concerns about land issues. In Bubogo Parish, a community representative and conservationist noted that compensation for land remains a major challenge to people in the area. This led to a lengthy discussion on how communal land ownership rights are under threat from speculators and the government.<sup>61</sup> In addition to existing uncertainty regarding oil developments, a representative from the local government (LOC1) structures noted that members of his community have seen individuals taking soil samples in the area. It is speculated that there are uranium deposits in the area, and the fear is that not only will oil developments have an impact on lives and livelihoods, but the discovery of new mineral resources may further impinge on the communal land.<sup>62</sup>

Land is in short supply in other villages as well. At the Ssebagoro landing site, the village is hemmed in by both oil wells and a conservation area under the management of the Lake Albert Safari Lodge. To the frustration of a government representative from LOC1 structures, this has led to a situation where the village does not have enough land on which to expand their primary school.<sup>63</sup> The land discourse emerging from Bubogo, Kabaale and Ssebagoro has common features. These include problems with communal land ownership, fears of land speculation, and uncertainty about people's security of tenure and livelihoods, given the increase in population and oil exploration and production activities. Similar concerns were raised in Bubogo Parish, where a local chief argued that land is under threat from both '... speculators and governments' secret plans for oil developments in the area.'<sup>64</sup>





*Publish What You Pay meeting, Ssebagoro*

The CBO representative from Buliisa indicated that there is a solution to the problem of communal land ownership. Communities without title deeds have begun to organise communal land owners' associations. These associations document all the people living in a village or area owned communally, and then register the land in their names.<sup>65</sup> However, NAVODA has stated that the cost of registering land is too high, at an estimated UGX<sup>66</sup> 3 million (approximately \$1,300),<sup>67</sup> and makes poor subsistence farmers and fishermen unable to afford this.

Regardless of the cost associated with registering communal land, a community representative in Kaseeta Parish, where an oil refinery is to be constructed, said that residents have to be prepared for the impacts associated with oil developments. He indicated that 'communities have to prepare themselves for the process of getting their land titles registered.'<sup>68</sup> At the same meeting, another resident of Kaseeta argued that non-governmental organisations (NGOs) could assist residents in registering land.<sup>69</sup>

The land question is particularly sensitive in the area in and around Kaseeta Parish. Approximately twenty square kilometres have been earmarked for the construction of an oil refinery. Rumours about their impending removal have had a significantly negative impact on the residents. An elder in the community argued that the fear people experience due to expectations that they will be removed to make way for the refinery has led to some families stopping their agricultural activities. Thus not only is the fear of displacement having an impact on the psychology of residents, but some families are also confronted with food shortages owing to dwindling agricultural production in the area.<sup>70</sup>

### The politics of hope and expectation

With the advent of oil exploration activities, lakeshore communities who rely on subsistence economic activities became, justifiably, hopeful that employment opportunities may come their way. In addition to employment hopes, others felt that government or the oil companies could do more to support agricultural development. A community representative from Igwawjira Parish asked whether the government could sponsor tractors and other agricultural equipment communities needed to increase agricultural productivity.<sup>71</sup>

The experiences residents of villages along the lake have had in terms of Tullow Oil employing people seem to be somewhat controversial. A senior LOCI representative in Ssebagoro landing site indicated that a few people were employed temporarily during exploration studies and drilling in the vicinity of their village. However, upon completing work the company moved on, and terminated its employment of the residents.<sup>72</sup> The hope of finding employment in the area's burgeoning oil industry has therefore been waning. In some villages like Kaseeta Parish on the escarpment, however, residents still think that oil developments may create job opportunities.<sup>73</sup> A CBO representative in Kaseeta said that the hope of employment is important in a context where '... little economic activity outside of subsistence farming, small-scale informal trading, and fishing can be found.'<sup>74</sup> The desire to break the chains of poverty thus easily translates into high hopes of finding opportunities in a new, lucrative and developing industry.

In addition to the underlying economic frustrations of people who live and subsist on the lake, some individuals were also keen to know how Tullow Oil could assist with efforts to conserve the lake and its adjacent ecosystems. A local chief and Beach Management Unit (BMU) representative in Ssebagoro, for example, raised the issue of oil spills, gas flaring, and environmental degradation prevalent in the Niger Delta.<sup>75</sup> He hoped that the government and companies active in the region would contribute more to conservation efforts due to the fact that oil extraction has a major impact on the environment, and could be extremely destructive if oil spills occur.

Some people hoped that government and the oil companies would support conservation, whereas others, like a teacher in Kabaale Parish, hoped that the construction of an oil refinery would finally prompt the government to provide electricity to the village.<sup>76</sup> However, a PWYP committee member indicated that although he also hoped electricity would come with the refinery, no one had consulted communities about surveying taking place for the construction of electricity cables. He noted that groups of workers had been conducting surveys, often cutting through homesteads and small farms.<sup>77</sup> The hope for electricity is thus accompanied by uncertainty about where the cables will run, and what impact they will have on an already stressed environment.

A village elder in Tonya fishing village stated that the community faced severe problems with health care, sanitation (toilets in particular) and education. He expressed the hope that oil industry developments in the area would ultimately translate into the government paying more attention to the developmental needs of people in western Uganda.<sup>78</sup>

### Discourses of social uncertainty and fear

The fieldwork process revealed that Tullow Oil has been hard at work constructing three health clinics for communities on the lake. At the time of the research, construction was still ongoing. One centre located close to Buliisa and another in the Ssebagoro area stand to make a tangible difference to people's lives. However, regardless of the prospect of accessible basic health care, some terrible stories regarding the poorly serviced communities still emerge. A resident of Igwawjira Parish related a story of how a family member was transported from their village to the hospital in Hoima. Upon arrival, the doctor demanded that the family pay UGX 150,000 (approximately \$65) up front before he commenced treatment. The family did not have enough money, and managed to raise only UGX 100,000. They presented the cash to the doctor, who still refused to treat the person. The unfortunate outcome is that he passed away that night, with no medical attention given to him.<sup>79</sup>

Other fears regarding health also came to the fore in Kabaale Parish, where a community representative was concerned about the air pollution, and the potential adverse health effects an oil refinery may have on residents of the area. He also feared that the refinery may cause drought, famine and changes in weather patterns.<sup>80</sup> Although some may dismiss such comments as mere speculation, fears of the future and insecurity arising from a lack of information about planned developments in the oil industry foment all kinds of rumours. This highlights the urgent need for a clear communication strategy to inform communities about the industry, and its potentially positive as well as negative impacts.

The fieldwork process revealed that the poor state of health infrastructures play a major role in a sense of despair and fear that pervades communities. Basic resources, and fears related to dwindling water supplies, also often entered discussions. In the case of



*Maternity ambulance going nowhere*



Igwawjira Parish, a local pastor noted that the community relies on a few water sources in the area, which they have noticed are increasingly diminishing.<sup>81</sup> A PWYP committee member echoed this sentiment, and added that: 'We are experiencing pressure on access to basic sources of water. This is because rain is unpredictable, and more people are settling in our communal lands.'<sup>82</sup>

Although poor health services and concerns about water abound in the communities, another and quite debilitating fear regarding displacement reared its head in both lakeside and other communities living further inland. A BMU representative at the Ssebagoro landing site said there were ongoing rumours that their community may have to be moved to make way for further oil developments. He said: 'We fear the day government shows up with army trucks to remove all of us. Where will we go and how will we survive?'<sup>83</sup> The problem with rumours of displacement is that they foment uncertainty and give rise to more rumours. This situation of fear regarding displacement was also illustrated by communities living in the vicinity of an area earmarked for the construction of an oil refinery on the escarpment above the lake.

The example of Kaseeta Parish discussed earlier, where residents stopped planting crops owing to fears of displacement, was probably the most poignant case of uncertainty and fear in all of the Lake Albert villages visited during the fieldwork.<sup>84</sup> The Kabaale Parish, also located on the escarpment in the area where the refinery is to be built, confirmed the fears of the community of Kaseeta Parish. A resident indicated that when the parish submitted its budget requirements to district officials, the officials refused to consider its plans; stating that residents of Kabaale would in all likelihood be moved to make way for the refinery.<sup>85</sup>

The refusal of the district officials to consider the parish's budget plans was confirmed by other members of the community. A community representative warned that:<sup>86</sup>

If government continues with its top-down approach, there will be misunderstandings and conflict in this area. If we are to be moved they [government] should inform us, and tell us whether there will be schools and clinics in the area they plan to move us to.

The community's anxiety was also reflected by another community member, who stated that: 'We have no information about the demarcation of the refinery. This causes anxiety in our community.'<sup>87</sup> After discussing the community's fears, the residents decided to go ahead with the process of forming a Kabaale landowners' association. Similar fears of forced removal can be found in Tonya fishing village on the lake where a chief said that an official from LOC5 '... threatened us that at any time when government needs to develop the area for the oil industry, people in Tonya will be removed.'<sup>88</sup>

Other fears were also evident in discussions on oil. A PWYP committee member from Kabaale Parish said that in the past few years there had been a marked increase in the military's presence along the lake. There were rumours that people in unmarked vehicles had been surveying an area for the construction of an air strip. According to him, this was linked to ongoing discussions in communities about a new large-scale military base to be established in the Hoima area.<sup>89</sup>

Although fears of displacement and increased military presence may be headline-grabbing concerns, other fears also featured in discussions. At Igwawjira Parish, for example, a CBO representative noted how increased traffic on the gravel roads posed a

serious threat to villagers and livestock.<sup>90</sup> Similar concerns were raised at Bubogo Parish, where residents not only complained about dust and the dangers associated with increased traffic, but also about Tullow Oil claims that it had rehabilitated roads, whereas the only roads it constructed were those that led to its oil drilling sites and oil wells.<sup>91</sup>

### Livelihoods in question

Ancestral memory of life on the shore of Lake Albert stretches back for generations. This became clear during an interview with a LOCI representative. She described in some detail how ‘... my parents, grandparents, and too many generations to remember, all lived in this village.’<sup>92</sup> She illustrated that although life on the lake may be tough, these are ancestral lands and the oil exploration activities have upset traditional economic practice. She said that the generations that precede her and her children ‘... all lived off the lake.’<sup>93</sup> The lake is therefore much more than a static body of water for the people in Kaiso-Tonya. It is an integral part of ancestral memory while also providing the economic basis for survival. To make matters worse, she indicated that since the seismic studies were conducted in the vicinity of their village, fishermen have complained about dwindling catches. These complaints were echoed by several fishermen during the course of the fieldwork, who thought the seismic studies may have interfered with the fish breeding grounds, or the fish were scared off by the explosions and migrated to other parts of the lake.<sup>94</sup> Others, however, did not see a direct link between the seismic studies and dwindling fish stocks.



*Signs of subsistence economics in the form of cattle, goats and fishing boats on the shore of Lake Albert, Tonya*

On the issue of oil exploration activities interrupting fishing on the lake, a BMU representative at Ssebagoro landing site said:<sup>95</sup>

No consultations took place with us before they started exploring for oil. Neither the government nor the company came to us to explain what they were doing. The UPDF arrived one day to inform us of a ban on fishing, and for three days we were stopped from going out on the lake.

This experience was repeated in other fishing villages. In Tonya fishing village, fishermen complained that while exploration was taking place they were banned from the lake for four days. He indicated that no one except the UPDF informed them about the ban on fishing, and that neither Tullow Oil nor the government had made any move to compensate fishermen for lost revenue due to the interruption of their economic activities.<sup>96</sup>

Other points of view on the issue of dwindling catches were voiced in Ssebagoro landing site, where a BMU representative stated that: 'Our catches have been deteriorating due to increased population and overfishing.'<sup>97</sup> He said that Ugandan authorities, especially the BMUs, have been working to curtail some fishermen's use of incorrect nets for fishing (such as mosquito nets). However, no such authorities on the Congolese side of the lake monitor and enforce regulations. This has created a situation in which the '... lawlessness on the Congolese side of the lake'<sup>98</sup> has a direct destructive impact on fish stocks available in Lake Albert.

The range of comments related to the level of fish stocks in the lake suggest that a crisis of livelihoods is confronting villages that depend on the lake for survival. In addition to the issues raised, a fisherman from the Ssebagoro community opined that besides overfishing and the encroachment of Congolese on the Ugandan side of the lake, corruption and incompetence of the Ugandan authorities are further complicating matters. He argued that BMUs are not paid a salary, which leads to them accepting bribes from fishermen caught with the wrong gear.<sup>99</sup>

Owing to dwindling catches and increased pressure on fish stocks, the BMU representative said that some fishermen have started experimenting with fish-cage farming in the lake.<sup>100</sup> Although the BMU is aware of the locations of the fish breeding areas, it is impossible to monitor such areas and curtail overfishing. The one fish cage experiment they conducted came to an unfortunate end when someone stole the cage. The representative asked whether Tullow Oil would be willing to support fish-cage farming projects, or assist in providing some kind of security in areas where fish cages are installed.<sup>101</sup>

### **Environmental impact**

Oil exploration activities have not only had a direct impact on communities. They have also affected several important national parks and reserves in western Uganda, such as the Murchison Falls National Park; Wambabya Central Forest Reserve; Bujawe Central Forest Reserve; Kaiso-Tonya Community Wildlife Area; and the Kabwoya Wildlife Reserve. A game ranger in the Murchison Falls National Park pointed out that Tullow Oil, with government approval, has been drilling for oil inside the park. This in itself raises several questions about the future of nature conservation projects in Uganda's oil region. Other areas, such as the Kabwoya Wildlife Reserve and the Kaiso-Tonya Community Wildlife Area, have also been affected by drilling for the establishment of the following Tullow Oil wells: Waraga (Kaiso-Tonya), Nzizi, Mputa 1, and Mputa 2 (Kabwoya Wildlife Reserve).



*Oil well close to the village and shore of Lake Albert*

The CBO representative from Buliisa expressed his disapproval of oil exploration activities taking place in the Murchison Falls National Park. He noted that villagers in Buliisa complain bitterly about the daily traffic of heavy trucks that pass through town. These churn up continuous clouds of dust, and he is concerned that similar traffic in the park is not only upsetting the environment, but also having a negative impact on animal life. In addition to the experience of being shrouded in dust clouds, the CBO representative accused government and Tullow Oil of not being transparent about findings of environmental impact assessment (EIA) studies devoted to the impact oil exploration stands to have on the area.<sup>102</sup> He said that: ‘We are also worried about the possible impact oil spills can have on the lake and the park.’<sup>103</sup>

While protected areas have been affected by oil drilling operations, the research process revealed a high level of awareness regarding environmental issues in the communities. In one such case, an enthusiastic conservationist from Bubogo Parish described how he had been using his own initiative to plant trees in some deforested lands belonging to him.<sup>104</sup> This was because he realised that water catchments can be rehabilitated by tree planting projects. He expressed the hope that government, or the oil company, could provide more support for environmental projects.<sup>105</sup> Individuals in other communities expressed similar sentiments, with a subsistence farmer living in Igwawjira Parish asking: ‘How can we [residents of the parish] access seed of indigenous trees?’<sup>106</sup>

The awareness of environmental issues goes further than merely requests for seed or seedlings. A community representative from Igwawjira Parish argued that: ‘Oil developments will cause more air pollution in our district. If the government or the oil company sponsor tree seedlings, we can plant trees to offset the air pollution to come from

oil operations.<sup>107</sup> With such a high level of awareness regarding environmental issues, it should come as no surprise that some concerns were raised about the fact that EIAs undertaken in the area are not made public. According to the community representative, this makes it impossible for government agencies, NGOs and communities to monitor and properly evaluate the extent to which oil operations have an impact on the natural environment.<sup>108</sup>

International news stories on oil spills have also created unease in Uganda's oil-producing areas. In one case, a fisherman from Ssebagoro landing site was concerned that a law governing oil extraction has not yet been enacted by parliament. Without a law governing such eventualities, it would be hard to hold an oil company responsible if some horrible incident took place. He warned that an oil spill like the one that happened in the Gulf of Mexico off the US coastline could have devastating consequences for the environment.<sup>109</sup> Some fishermen from Tonya village on the lake said that after Tullow Oil conducted seismic studies in areas of the lake around their village, their nets were covered in oil after coming out of the water. This may have been a temporary phenomenon related to oil seeps generated by the seismic studies, but it did heighten concerns about the impact oil spills may have on fish and fishermen.<sup>110</sup>

Further questions on the environmental impact and ability of government to respond to potential threats such as oil spills were asked by the BMU representative from Ssebagoro. He said that whenever members of his community raised their environmental concerns with officials from the district, officials responded that '... oil is a national issue, and lower levels of government cannot influence what happens at the top.'<sup>111</sup>

#### **Box 1: The micro-politics of regional relations**

One notable observation from the fieldwork in western Uganda relates to the influx of Congolese people in villages along the lake. Owing to historical and cultural ties, and linguistic similarities, it is interesting to observe how communities on the Ugandan side of the lake have been relatively open and accommodating in absorbing Congolese refugees and others settling in Uganda. Kinubi, a neighbourhood of Hoima, was also used by Sudanese refugees who had fled from civil war. Although most of these families returned to Southern Sudan after 2005, it is admirable how Ugandans accommodated and tolerated the presence of what some might consider an influx of foreigners.

However, the influx of Congolese is not without controversy. It has a direct impact on livelihoods in the form of pressure on land, and increased competition for access to fish on the lake. In Ssebagoro landing site, several community members complained that in their village Ugandans are actually in the minority, and that it is hard for local authorities to impose Ugandan regulations (especially in the fishing sector).

Increasing populations in lakeside villages were often mentioned by individuals. However, exact population figures are not available, and therefore these comments cannot be confirmed by reference to exact population statistics for the villages. In general though



several people complained about increasing populations in interviews and PWYP meetings. A community representative from Kabaale Parish, for example, noted that his major fears were, on the one hand, population increase and the tensions associated with it; and environmental degradation that comes with oil extraction operations on the other.<sup>112</sup>

A CBO representative in the Buliisa area said that there had also been a marked increase in the number of Congolese settling in the area. He claimed that Congolese not only settled there, but they also worked, and, in some cases, '... they even vote in elections regardless of the fact that they do not have legal status or Ugandan citizenship.'<sup>113</sup> Thus although it seems that Ugandan communities are open to new arrivals from the DRC, tensions do arise as a result of increased competition for fish and land.

### CONCLUSION: DISCOURSES ON OIL AND CONSTRUCTED REALITIES OF SOCIAL UNCERTAINTY

The discovery and rapid development of Uganda's oil sector presents the country with a unique economic opportunity to address myriad developmental challenges. However, in as much as oil revenues stand to bolster the national economy, several local-level social challenges in the oil-producing region have to be addressed if government wants to avoid the formation of grievance politics. The fieldwork found that villages along Lake Albert and those located in an area earmarked for the construction of an oil refinery are confronted with severe uncertainty and fear. These fears and uncertainties stem from tensions (such as access to land, fish in the lake and other subsistence resources) that precede oil exploration and infrastructure development operations. However, as oil exploration and production operations expand, these existing tensions have been compounded and given more political significance, owing to oil-related developments that put more pressure on communities.

The fieldwork aimed to answer two questions.

- How are local residents responding to oil developments, what are their key concerns, and how do these concerns shape discourses on oil?
- What are the environmental impacts of the oil developments?

In terms of the first question, several distinct discourses on oil emerged from the fieldwork. This chapter captured the most salient of these, and this section will draw on these discourses to develop insight into their political, policy and social implications. Answers to the second question are also encapsulated in the specific discursive threads on the environment that emerged from the fieldwork.

Discourses construct realities, which means that the stories, statements, assertions, concerns and hopes people express in everyday language construct ways of understanding their life worlds. The discourses on oil developments and their related impacts on communities in the Lake Albert region can thus, if viewed from a discourse analysis

point of view, be approached as constructed realities. From these discourses one can draw important lessons about the way the oil developments are seen and perceived by residents. The discourses can also highlight specific issues that deserve interventions at a social, economic, policy and political level.

Emerging from the fieldwork were discourses on:

- socio-political marginalisation
- land tenure insecurity
- hope and expectation
- the environment and conservation
- social uncertainty and fear
- subsistence economies and the future of oil revenues

The following sections address some of the implications the discourses identified during the fieldwork.

### **Socio-political marginalisation**

Political marginalisation takes many forms, and is shaped by particular sets of historical, political, social and economic relations. In the earlier section discussing the perspective on oil from the Bunyoro Kingdom, some statements emerged that have sobering implications. The Bunyoro elder complained about government ignoring requests by the kingdom to benefit from the oil found in their territory. The recent frustrations regarding oil exploration in the region should be viewed in the context of a much longer



*Oil drilling operation in Murchison Falls National Park*

history of political subjugation that started under Milton Obote's first term as president. The most significant statement that frames a specific perspective on what could happen if government continues to ignore the will and the requests of the Bunyoro came when the elder stated that the Bunyoro are quiet and passive, '... But, like a boil it will burst if their concerns are not listened to, and their voices not heard by government.'<sup>114</sup>

The reality that such discourses reflect does not immediately portend armed conflict, or rebellion. However, once perceptions of political marginalisation take root in a social environment characterised by uncertainty and fear, government and corporate actors should be prepared for growing pressure from society and the potential of increased political mobilisation aimed at opposing oil developments. A striking example of community frustrations in this regard is found in Kabaale's community representative, who warned that:<sup>115</sup>

If government continues with its top-down approach, there will be misunderstandings and conflict in this area. If we are to be moved they [government] should inform us, and tell us whether there will be schools and clinics in the area they plan to move us to.

The statements by the Bunyoro elder and Kabaale community representative clearly reflect a discourse that calls on government to listen to the wishes of the Bunyoro and residents of the areas affected by oil developments.

Further indications of frustrations with government and discourses on perceptions of political marginalisation emerged in other engagements during the fieldwork. The government and oil companies may be slowly but surely fomenting socio-political resistance to the oil activities owing to their non-existent attempts at informing residents about planned activities. As noted, when exploration activities took place on the lake, several residents complained that the first they heard about these was when the UPDF appeared in their villages to impose a moratorium on fishing. Not only did this cause a direct interruption of subsistence activities, but it also formed the foundation for negative political perceptions about Tullow Oil and the government.

More dangerous than the negative political perceptions this has created of both government and Tullow Oil, is that a lack of information is leading to rumours being peddled as truth regarding oil developments. A community representative from Tonya fishing village commented that: 'People hear lots of rumours and feel that there will be abrupt changes due to further oil developments. How can we as a community prepare ourselves for this impact?'<sup>116</sup> This question is poignant because a lack of information about the oil developments combines with the existential uncertainty some villagers feel (especially in cases where they are threatened with forced removal to make way for oil developments) to create a charged political environment. If not managed properly, this kind of perceptual politics may grow into stronger forms of resistance against the corporate and political regimes that are seen to be imposing plans and developments on local communities. The implication is that government and corporate actors need to institute proper communication channels through which information can be shared with local communities.

Further indications of a discourse of political marginalisation emerged in Igwawjira Parish, where a local chief argued that: 'Sub-county planning is not integrated into planning that takes place at the county and district level.'<sup>117</sup> From similar comments made



in other communities, it appears that not only are there gaps in the government planning processes that need to be addressed, but that the development plans for oil operations should be shared with local leaders and communities. A NAVODA representative noted that: 'Sub-county and county administrations should be more involved in informing communities about developments due to take place in their parishes. This should also entail parishes submitting more plans to county structures to inform planning processes.'<sup>118</sup> What thus emerges from these comments is a concern about the future of the region, and the fact that government structures at local levels are either ineffective when it comes to planning processes, or flatly ignored by a national government that has centralised all planning regarding oil in the highest political offices of the land. The net result is that residents are marginalised.

### **Recommendation**

The discourses that point to perceptions of socio-political marginalisation deserve urgent attention. Open, transparent and participatory planning processes will be important to allay fears, and minimise perceptions of marginalisation.

In order to remedy the situation and address problems of political marginalisation, government, in consultation with local actors (CBOs, NGOs, community leaders and local government structures), should work on creating village or community forums. Such forums could be used as platforms for government and corporate actors to inform and educate residents about the oil sector. This could also form the foundation for the creation of co-operative governance structures where residents can provide direct input into policy, planning and related activities. The PWYP advocacy committees are multistakeholder bodies that can serve as platforms to mobilise local actors to engage with government and corporate entities in this regard.

### **Land tenure insecurity**

If discourses that point to political marginalisation have negative consequences then land, which is important to sustain families and communities, can become an explosive issue in Uganda's oil region. As discussed, a discourse of fear and uncertainty about land results from a clash between a multiple of economic, social, and political forces in the Lake Albert region. One particularly sensitive issue emerged during the fieldwork about the complexities of communal land ownership. In village after village, residents spoke of the difficulty in proving ownership over land when there are no title deeds due to customary practices that form the basis of land tenure and ownership.

The discourses on land also included fears of displacement to make way for further oil developments. Such discourses of fear have had a debilitating impact on some communities and cause actors, such as a local chief from Bubogo, to worry about government and the oil companies' secret plans for oil developments. Such uncertainty, as discussed, has led to some families halting their agricultural activities because of the fear of removal from communal lands. This has caused food shortages and psychological stress in the communities concerned. Such social tensions hold severe political and localised conflict implications. Tensions between Ugandans and Congolese for access to

land, combined with exploration and oil-production activities, are creating conditions conducive to violent confrontations between residents.

The discourse on land tenure insecurity is therefore one of the most significant issues forthcoming from the research. Attempts at creating communal land owners' associations have stalled, or cannot proceed due to exorbitant costs involved in the legal process of registering land.

### **Recommendation**

In order to avert a potential political crisis, and local-level conflict for access to land, the Ugandan government should consider policies that can support, protect and limit the negative impact land-related insecurities can have on indigenous people. Government should find ways of removing hurdles (legal and financial) that prevent poor rural communities from registering communally owned land. The government should also intervene decisively in cases in which land speculators disown communities of land in illegal ways. Government should consider developing a special legal aid and advisory system to reach out to rural communities confronted with land tenure problems, such as those in the areas affected by oil developments.

Communities on the shores of Lake Albert also noted a dramatic increase in Congolese settling in the area. Although this has been mostly peaceful, indications are that struggles for access to land and fish resources are cause for much local-level tension. Government should as a matter of urgency address the security threat this may pose to both the oil industry and local residents who perceive themselves as marginalised not only by government, but also by Congolese 'settlers'.

### **Hope and expectation**

A CBO representative from Kaseeta argued that outside of fishing, subsistence farming and informal trading, few other economic opportunities are available to people who live in villages in the Lake Albert region. Discourses in this regard show that some people in the areas affected by oil activities maintain hope for employment and other economic opportunities. Although these hopes may have been tempered by the realisation that oil exploration activities at best employed some locals on a temporary basis, the politics of expectation remain. This is not problematic in itself, but if communities are sidelined in planning processes, while their traditional economic and subsistence activities are threatened by oil extraction operations, a dangerous politics of resentment can take root in communities.

Such politics of resentment can have far-reaching consequences, but can be remedied by pro-active interventions to support existing economic activities. Two examples are notable in this regard. During the fieldwork, fishermen spoke about the potential increase in fish stocks through cage farming, while subsistence farmers hoped government or the oil corporations could support agricultural projects. In order to engage with the harsh economic realities of communities affected by oil operations, it may be necessary to find innovative ways of supporting the existing economic activities of communities.

### **Recommendation**

Support for fish-cage farming projects, co-ordinated by local BMUs and relevant stakeholders, can revolutionise the fishing industry on the lake, and simultaneously decrease levels of tension in lakeside villages dependent on the fishing industry. This will also help to rehabilitate fish stocks that have been dangerously depleted by overfishing.

A further intervention that will stand government in good stead is support for local farmers and farming co-operatives. Such interventions would alleviate pressure on available land resources, while boosting local economic activity and productivity in the agricultural sectors – one of President Museveni's long-standing objectives for the country as a whole.

### **The environment and conservation**

Although discourses on land tenure insecurity and socio-political marginalisation revealed the potential for significant negative political consequences, the fieldwork relating to discourses on the environment and conservation uncovered both positive and negative finds. Discourses on the environment predominantly took two forms. The first pertained to possible oil spills, gas flaring, and the adverse impact oil exploration and production activities could have on the environment. The fear of oil spills was compounded further by the lack of a law governing oil extraction. The second form pertained to a high level of awareness in communities directly reliant on the environment for survival, and its need to be protected and rehabilitated.

Fears about the impact oil spills may have on the lake and fishing industry, and the impact of dwindling fish stocks and overfishing on the lake, were voiced frequently. Such discourses cannot be confined analytically to the realm of economic activity alone. Reliance on fish resources makes communities and families vulnerable to environmental conditions. Insecurity in this regard can thus easily contribute to growing perceptions of marginalisation. Remedial actions, rehabilitation of the lake, and clear policies from government are therefore needed to allay fears and demonstrate the willingness of government to protect the subsistence resource on which people rely.

On the positive side, government and corporate actors will find that discourses on the environment are filled with good ideas about tree-planting projects to rehabilitate water catchments and fish-cage farming. Such discourses show that subsistence farmers and fishermen, whose livelihoods are tied directly to the environment, will respond positively to projects aimed at protecting subsistence resources.

### **Recommendation**

Government should not delay any further with the adoption of the Oil Bill. This is necessary to provide a legal framework that stipulates rights and responsibilities if and when oil spills occur. Government and oil corporations should be more transparent with EIAs, while local CBOs and NGOs should be capacitated to monitor the environmental impact of oil operations.

Government and oil companies active in the Lake Albert region should also engage with residents to access indigenous knowledge, rather than rely on externally imposed

analyses and development plans. Local knowledge of climatic conditions, local plants, crop rotation and animal husbandry is a wealthy source of knowledge on which to base consultative environmental projects and development initiatives.

### **Social uncertainty and fear**

The discourses on social uncertainty and fear took several different forms, which address different issues. As discussed, land tenure insecurity has led to debilitating fear in some communities. Social uncertainty stems from a lack of information about future oil developments. These include plans for pipelines, electricity infrastructure and the oil refinery that is to be constructed near Kabaale and Kaseeta Parishes. Government was criticised specifically for its so-called 'top-down' approach. Social uncertainty also stems from insufficient consultations with communities on infrastructure development.

During the PWYP meeting in Bubogo Parish, a LOCI official complained that neither the district council nor the national government had engaged in any consultations or information sessions with officials at lower levels of government.<sup>119</sup> Other members of the community noted that all planning activities related to oil take place at a national level – and in particular the president's office. A lack of information on planned development activities, especially with reference to oil, has created an atmosphere where speculation, rumour and conspiracy theories thrive.

### **Recommendation**

Government should increase efforts to inform residents about developments in the region. A co-operative approach will allay fears and prevent the formation of grievance politics.

### **Subsistence economies and the future of oil revenues**

Some of the discussions in communities also raised issues regarding the future use of oil revenues. In Bubogo Parish, one community member, asked: *'How will oil revenues be used by government? Are there any plans to develop an oil fund to save the money?'*<sup>120</sup> Interestingly, in many of the community meetings the issue of corruption was barely mentioned. In Tonya, however, a community representative argued extensively about the CHOGM scandal involving high-level officials and politicians. He asked how the government could be trusted to work with oil revenues when it had a proven track record of corrupt practices.<sup>121</sup> The problem of corruption is not confined to the question of oil revenues. As discussed, villagers along the lake are concerned about corruption in the governance structures that are supposed to regulate the local fishing industry.

From the fieldwork conducted, it appeared that uncertainty, fear and insecurity are defining social discourses on oil. Lack of transparency, a top-down approach to planning and minimal consultation regarding oil developments are fomenting grievance politics. The discursive themes that emerged from the fieldwork thus present the government of Uganda with specific governance, policy and political challenges, which will be explored in more detail in the following chapter.

## CHAPTER 4

### **MORE POWER TO THE PEOPLE OR THE PRESIDENCY? THE EFFECT OF OIL ON DEMOCRACY IN UGANDA**

KATHRYN STURMAN

#### INTRODUCTION

In contrast to North Africa's dramatic political upheavals in February 2011, Uganda's presidential and parliamentary elections in the same month were relatively uneventful. President Museveni was returned to power with a firm majority of 68% and little sign of anticipated violence or voter intimidation.<sup>122</sup>

However, this situation changed just two months later, when urban Ugandans began voting with their feet. A 'walk to work' campaign against sharp increases in food and fuel prices was suppressed, reportedly with live ammunition.<sup>123</sup> Thrice-defeated opposition leader, Kizza Besigye, regained some popular sympathy when he was arrested and injured by teargas during the campaign, which left two dead and over 100 wounded in clashes with military police in Kampala.<sup>124</sup> He remained under house arrest for the rest of the year, which in itself became a rallying point for the rejuvenated opposition movement.

Oil added fuel to these fires when allegations of bribes paid by oil companies to three cabinet ministers ignited a series of oil debates in the Ugandan Parliament. This brought the legislature into direct conflict with the executive, with a petition by parliamentarians to halt the transfer of production and downstream rights from Tullow Oil to Total and CNOOC until the long-awaited Petroleum Bill had been tabled before parliament and adopted. The Ministry of Energy stated its intention to push ahead with the deal, in defiance of the parliamentary resolution.<sup>125</sup>

Evidently, President Museveni's lengthy incumbency is not uncontested, irrespective of the formal election results. How long he can remain in power depends on more than straightforward questions of legitimacy and support from within and outside his own party, however. The two contrasting images of Ugandan politics in 2011 – of peaceful elections, but later scenes of rioting and repression on the streets of Kampala – suggest that the country could be heading in either of two directions: towards greater stability and consolidation of Museveni's government, or towards a popular uprising for change. This chapter considers whether and how the coming oil revenues for the Ugandan government will sway national politics down one path or the other.

## THEORIES THAT OIL AND DEMOCRACY DON'T MIX

Comparative studies of the influence of oil revenues on governance do not bode well for democracy in Uganda. Political economists writing within the 'resource curse' literature have shown a strong correlation between oil-rich countries and their propensity for authoritarian rule. For example, Michael Ross concluded from an empirical study of a wide range of countries and regime types around the world that 'oil hinders democracy'.<sup>126</sup> He identified three reasons why this was so.

- The rentier effect: that oil provides large revenues, which governments can use to buy citizens' consent through patronage and lower taxes.
- The repression effect: that governments with high oil revenues have a tendency to increase their military expenditure, which is then used to suppress political dissent.
- The modernisation effect: that economic growth based on the narrow sector of oil exports fails to bring about the social and cultural changes of broader, more inclusive forms of development – such as growth in manufacturing or services sectors – and that this form of economic growth is therefore unlikely to encourage democratisation.<sup>127</sup>

Ross later qualified his argument after a wider study of 170 states from 1960–2002, using more refined measures of oil wealth and democracy. He stated that 'it is relatively easy to show that oil is correlated with authoritarianism; it is much harder to explain why'.<sup>128</sup> In this revision, Ross could not find 'compelling statistical evidence' for the modernisation effect.<sup>129</sup> The following discussion of prospects for democracy in Uganda will therefore focus on two of Ross's causal mechanisms: the rentier effect and the repression effect.

Other significant findings of Ross's work were, firstly, that when comparing the regions of the Middle East, Latin America, and North and sub-Saharan Africa, he found that 'the failure of oil-producing democracies seemed most prevalent in Sub-Saharan Africa'. Secondly, the effect of oil undermining democracy was stronger among low-income countries than among middle- and high-income countries.<sup>130</sup>

Empirical studies focused on Africa have shown that oil and authoritarianism do indeed go together, as is intuitively obvious from a cursory glance at the regimes of Equatorial Guinea, Sudan, Chad, Gabon and others. Nathan Jensen and Leonard Wantchekon found 'evidence suggesting a robust and negative correlation between the presence of a sizable natural resource sector and the level of democracy in Africa'.<sup>131</sup> These authors also connected an abundance of natural resources to 'high levels of political violence and the use of resource rents by ruling parties to maintain their hold on political power'.<sup>132</sup>

Another African study by Luc Desire Omgba found a direct link between oil rents and the lengthy tenure of heads of state.<sup>133</sup> A specifically patrimonial form of Ross's rentier effect is identified to explain this connection, namely that 'oil rents ... provide the incumbent with a means of buying "social peace" via the corruption of politicians, the media and the intellectual community'.<sup>134</sup> He also cites Paul Collier and Anke Hoeffler's argument that oil revenues allow ruling party candidates in elections to 'buy votes'.<sup>135</sup> Like Ross, Omgba points to militarisation as a way for oil-rich leaders to stay in power. He suggests that this strategy is evident when 'the executive would tend to invest heavily in the armed forces during peacetime, even when such investments are not justified'.<sup>136</sup>

In addition, Omgba's study points to the international support given to incumbent leaders of oil-rich states by oil companies and foreign governments with strategic interests in these companies. Significantly, he gives the example of Total (formerly Elf), when the company played a direct role in ensuring the return to power of the Congolese president, Denis Sassou N'Guesso, as well as French military interventions to secure oil interests all over the continent (to which one could add the latest NATO intervention in Libya).<sup>137</sup>

Consideration of Museveni's style of leadership in the past and present gives an indication of whether Uganda is likely to follow the pattern of oil further undermining democracy in the future, or whether the Ugandan nation can beat the odds of this aspect of the 'resource curse'.

### SIGNS OF PATRONAGE AND THE RENTIER EFFECT

A remark by President Museveni to ruling party Members of Parliament (MPs) in September 2011 was telling of his strategy to stay in power. The president reportedly 'told MPs that since he has not banned any political party and has new military equipment, there is no way he would be removed from power like Gaddafi or Mubarak'.<sup>138</sup> Clearly feeling threatened by the idea that the North African uprisings could spread to Uganda, Museveni's comment reflects a paradoxical perception of himself as a tolerant democrat, backed up by the capacity to defend his position with force if necessary. The two cultivated images of himself as freedom fighter and benevolent father of the nation align well with the two-pronged approach of repression and patronage at the service of a ruler with access to oil rents.

The context in which Museveni made this statement is equally revealing of his patrimonial style of leadership. It was made at one of a series of intimate meetings (reported as fireside chats around the barbeque) held at his wife's private home in Ntungamo, to which the president had invited 20 NRM parliamentarians at a time. A Ugandan newspaper reported that MPs had been ferried in a minibus to this venue and fêted in the informal setting by their host.<sup>139</sup>

An experienced oil governance activist working with parliaments in Uganda, Ghana and Sierra Leone, Keith Myers, highlights the dual pressures of co-optation and threat, which have thwarted African MPs from exercising oversight of their governments' oil dealings.<sup>140</sup> Constituents living on or near oil fields expect their representatives to defend their land and livelihoods from powerful elites, often at grave personal risk. At the same time, however, they also turn to their MP for personal financial assistance in all kinds of areas. This meant politicians had to pursue business interests to make money at the same time as engaging in politics, leading to potential conflicts of interest and temptation to accept gifts and bribes. Myers concludes that 'African MPs need not only to be wealthy, but also brave'.<sup>141</sup>

The co-optation and corruption of Uganda's MPs were on display shortly before the February 2011 elections, when parliament approved a direct payment of approximately \$8,700 to each of the 330 representatives to 'monitor' government programmes. The timing of these payments saw them interpreted as election bribes by civil society groups. Parliament also approved Museveni's request for a \$260 million supplementary budget,

most of which was spent by groups associated with his election campaign, according to the chairman of the public accounts committee, Nandala Mafabi.<sup>142</sup>

Beyond parliament, there were widespread reports by election observers of 'brown envelopes' of cash exchanging hands during the election campaign. The NRM was estimated to have outspent the opposition 'by 10-to-1' in its most expensive campaign to date.<sup>143</sup>

Although President Museveni does appear to have held sway over the legislature through the use of quite blatant patronage, this influence seems to have reached its limits some months after the election, when allegations of high-level corruption relating to oil contracts surfaced.

### SIGNS OF THE REPRESSION EFFECT

The historical role of the military in Ugandan politics, discussed in Chapter 2, makes it likely that oil revenues and strategic oil interests to be secured along the border with the DRC will contribute to further militarisation in the future. This is especially likely as the proceeds of oil production begin to provide an alternative source of revenue to donor aid, which has placed limitations on defence expenditure since the 1990s. Indications are that President Museveni has been looking for ways to increase spending on the military for a number of years, and has now found oil to be the avenue he needs to do so.

The World Bank and other donors supported a costly demobilisation programme for the Ugandan defence force after Museveni had secured state power and assured international observers of his intentions to rule peacefully and democratically. From 1992–1996, some 30 000 of Uganda's estimated 80 000 soldiers were demobilised and, although never explicitly stated, an understanding between the ruling party and external donors developed that defence expenditure should be limited to no more than 2% of gross domestic product (GDP).

That this was an externally imposed condition is clear from the contents of a letter President Museveni wrote to Clare Short, then British Secretary of State for International Development, in August 2001. The letter asked for British support to convince other donors to allow Uganda to increase its military expenditure, as Museveni did not regard 2% of GDP as a realistic cap on securing the Ugandan state in the rough neighbourhood of the Great Lakes region.<sup>144</sup> Similarly, in September 2002, a Ugandan representative to the AU used the first anniversary of the 9/11 attacks on the US to highlight his country's vulnerability to terrorism and appealed for greater international support for military campaigns against the LRA and other groups hostile to the Ugandan state.<sup>145</sup>

Government spending on state security has exceeded the 2% rule in recent years, simply by leaving it out of the defence budget. As early as 2003, it was reported that Museveni was getting around the 2% limitation by using 'discretionary spending, which usually favoured defence'.<sup>146</sup> The \$740 million deal to buy Russian fighter jets, tanks and other military hardware was also excluded from the defence budget in 2011, until the Chairman of the Public Accounts Committee objected. Once this figure was incorporated into the defence budget, it exceeded the 2011 budget by more than double the defence expenditure of previous years, estimated by Stockholm International Peace Research Institute's Military Expenditure Database as \$267 million in 2010 and \$315 million in 2009.<sup>147</sup>



Russian military and diplomatic sources have been reported as regarding Uganda's oil production potential as surety for this arms deal. The state-owned *Voice of Russia* radio station quoted one such source as saying that 'since Uganda is short of real money to pay for the planes, Russian LUK oil is negotiating its potential participation in developing large oil fields in Uganda, implying a possible swapping [of oil for arms]'.<sup>148</sup> This allegation was denied by the Ugandan government, but a former diplomat and MP, Jack Wamanga, pointed out to parliament that there must be something to the story, since the Russian media seldom focused on Uganda.<sup>149</sup>

The militarisation argument could be challenged by pointing out that batons and rubber bullets, rather than fighter jets, were all that was needed to suppress the April riots in Kampala. Yet the costly purchase of sophisticated military equipment is symbolic, as it signals a departure from the donor-driven public spending priorities of the past twenty years. Further domestic repression of opposition could follow indirectly from this changed mindset within the government. The role of the international community will remain important in encouraging or undermining democracy, as the country becomes more strategically important in terms of global energy interests.

Significantly, training of the paramilitary Local Defence Units (LDUs) by the UPDF is funded by the Ministry of Internal Affairs, rather than the Ministry of Defence, and so also falls outside of the donor conditionality to limit defence spending. These units were first established in 1987 and are recruited by the local committees, and therefore play an important role in Museveni's internal security and patronage network at the district level. In 2006 election observers reported the involvement of LDUs in assaults on opposition party members. This form of state repression could be expected to continue to fall outside of formal state security budgets of defence and policing in future. The danger of giving licence to such paramilitary structures, however, should be apparent to Museveni if he considers how President Mugabe has reportedly lost control of his political militias in Zimbabwe.<sup>150</sup>

## CONCLUSION

The emergence of bribery allegations involving senior government officials appears to have jogged many of the Ugandan MPs out of the complacency displayed during the election period. The 'oil debates' in parliament have shown a new level of parliamentary oversight, which will place pressure on the executive for greater accountability as the country gears up for oil production.

Seasoned Ugandan political analyst, Mahmood Mamdani, has observed that the debates about oil have not been divided along party lines. Rather, it has been a cross-cutting issue including members of the opposition and the NRM, which he interprets as reflecting fractures within the ruling party.<sup>151</sup> If Mamdani is correct in his analysis that some NRM members are using oil governance as a point around which to plan the internal ousting of their long-standing president, then the trend for oil to entrench the powers of an incumbent leader may be broken in Uganda.

Irrespective of whether there is any truth to the allegations of oil bribes, President Museveni's glowing portrait of oil as a gift to the nation's development has lost some of its shine. A public – and a parliament – that is more wary of the new oil industry will have

better prospects of extending and consolidating democracy, which in turn should allow for more developmental benefits to flow from the oil revenues.

Although the history of oil extraction being linked to corrupt and authoritarian regimes is discouraging, Ugandans could look to the similar case of Ghana for contemporary lessons in strengthening oversight of a future oil boom. In both countries, strong civil society activism is signposted as the escape route from the inevitability of the 'resource curse'. Ugandans may also be able to look back on 2011 as a turning point in their country's politics, provided they can build momentum from the parliamentary and popular campaigns for government accountability and transparency.

## CHAPTER 5

### FUELLING OR DOUSING REGIONAL FIRES?

#### UGANDA'S RISING POWER IN AFRICA

PETRUS DE KOCK

#### INTRODUCTION

The development of Uganda's oil industry has already had a direct impact on local residents in the Lake Albert region, as well as on national political behaviour and discourse. Civil society organisations in Uganda, such as the African Institute for Energy Governance, have been calling for transparent management of the sector and the need to establish a proper policy and legal framework to govern the industry. In as much as oil has had an impact on Uganda's internal politics at an early stage of its development, it is necessary to ask how Uganda as a petro-state will project its power in the region. To identify some of the potential power dynamics that may emerge, this chapter focuses on historical and contemporary Ugandan engagements in the region.

As a small landlocked country that had to battle with several decades of internal armed rebellion, military-led coups and related instability, Uganda has had a unique impact on regional political dynamics in the past two decades. It played a controversial role when it engaged in the Congolese war that resulted from Laurent-Désiré Kabila's rebellion against the Mobutu Sese Seko regime. The UN published several damning reports detailing the involvement of Uganda, Rwanda and Burundi in rampant human rights abuses, the plunder of natural resources and allegations of war crimes. These countries continue to vehemently deny such allegations regardless of evidence to the contrary.

Relations with the DRC, and the potential security threats posed by the eastern DRC, are important for the Ugandan government. Rebel groups such as the ADF opposed to the Museveni government continue to operate in the DRC. This chapter briefly reflects on the history of Uganda's involvement in the DRC wars from the mid-1990s to 2004. It also focuses on the ADF and its possible links to al-Shabaab, and Uganda's response to this regional security threat that links a Somali insurgent group to a Ugandan rebel faction, which uses the ungoverned spaces of the eastern DRC as a hideout. As Uganda's oil fields are located on its border with the DRC, rebel groups from the DRC can potentially threaten the country's strategic national resource assets and related extractive operations.

In contrast to the controversial nature of Uganda's involvement in the DRC wars, since the AU created AMISOM in 2007, the country has been the leading nation contributing troops to the peacekeeping operation in Somalia. During the latter half of 2011, the AMISOM operation achieved what analysts had long believed was impossible, with its successful removal of al-Shabaab from Mogadishu. Uganda's involvement in the AMISOM

operation has caused it to become the target of terrorist attacks by al-Shabaab. The threat of regional terrorism is further embroiling Uganda in a regional conflict that poses a direct threat to Kenya, Ethiopia and Burundi.

## THE UGANDA–DRC NEXUS

Uganda has to contend with several security challenges that emanate from its long and porous border with the DRC. Since the outbreak of the Laurent Kabila rebellion against Mobutu Sese Seko, relations between these two countries have been shaky. In order to assess some of the security and regional political challenges Uganda faces on its western frontier, this section explores historical and contemporary dynamics that have an impact on relations between Uganda and the DRC.

### Uganda's role in the DRC wars

Between 1997 and 2004, the people of the DRC endured one of the most violent periods of the country's post-colonial history. An estimated 3.8 million Congolese died as a result of the conflicts in the country. During October 1996 Rwandan troops, together with the Alliance des Forces Démocratiques pour la Libération du Congo-Zaïre (AFDL) led by Kabila, crossed the border with the goal of toppling the Sese Seko regime in Kinshasa. The AFDL was also supported by Ugandan armed forces.<sup>152</sup> Peace talks between Kabila and Sese Seko broke down, which led to Kabila's forces taking the country's capital, Kinshasa, on 17 May 1997. Michael Nest contends that 'the decisive factor in Mobutu's downfall was the decision by three neighbouring governments to support a military campaign against his regime.' According to Nest, Rwanda's goal was to destroy the Interahamwe and Hutu organisations that fled into Zaire after the Rwandan genocide. Uganda and Angola's motivation was to topple Mobutu.<sup>153</sup>

This was, however, not the end of the Congolese conflict. During this period of instability, relations between Kabila and his military backers (Uganda and Rwanda) deteriorated rapidly. The second DRC war came about as a result of President Kabila's decision in July 1998 to order all foreign troops to leave Congolese territory. Rwanda and Uganda refused to leave, and Rwanda retaliated by staging an operation aimed at pushing through to Kinshasa to topple Kabila from power. The AFDL government of Kabila had to be saved by the deployment of Angolan, Zimbabwean and Namibian troops to fight back the Rwandan and Ugandan advance on Kinshasa.

The two main armed factions that fought against Kabila's government were the Rassemblement Congolais pour la Démocratie and the Mouvement pour la Libération du Congo (MLC). These two groups were organisationally linked to the Rwandan and Ugandan armed forces. During February 1999 Uganda supported the formation of the MLC to continue with operations against Kinshasa.<sup>154</sup> The unique feature of the second DRC war is that it drew several African countries into the fray.

Significant research has been done on the details of the DRC wars. The controversial role Uganda played relates more specifically to the manner in which Ugandan military officers and civilians benefited from Congolese natural resources. According to Dani

Nabudere, Ugandan forces dispatched to take control of Kisangani not only supported the MLC insurgency, but Uganda's involvement:<sup>155</sup>

was in fact linked to the need for her troops to protect the mineral interests they had acquired in this area. Moreover, the new economic interests did not want the 'unpredictable' Kabila to take back what they had acquired here.

Kabila's call for Rwandan and Ugandan forces to leave the DRC was largely brought about by the deep involvement of these militaries in the looting, extraction and plunder of mineral resources and forest products.

According to a UN report, resource plunder perpetrated by Ugandan and Rwandan forces took one of two forms, either mass-scale looting, or the practice of systematic and systemic exploitation. The UN furthermore identifies two consequences of these activities. Firstly, such actions provided financial resources to the Rwandan Patriotic Army, and Ugandan civilians and military commanders. Secondly, they led to the emergence of illegal networks headed by top military officers and businessmen. Further forms of resource exploitation by Uganda and Burundi included confiscation, extraction, forced monopoly and price fixing.<sup>156</sup> The UN report goes into great detail in identifying specific cases of resource plunder, and high-level military commanders and civilians with political links engaged in these activities. Owing to the controversies surrounding Uganda's extensive involvement in resource plunder, war profiteering and the regional destabilisation that resulted from these actions, relations between Uganda and the DRC remain strained, while the continued instability in the eastern DRC poses a major security threat to the Ugandan state and its oil industry.

### **Rapprochement or the seeds for more conflict? The Ngurdoto Pact between the DRC and Uganda**

During 2008 President Museveni of Uganda and President Joseph Kabila from the DRC signed a co-operation agreement called the Ngurdoto Pact, brokered by the Tanzanian president, Jakaya Kikwete.<sup>157</sup> As discussed, Uganda's role in the DRC wars did not augur well for future relations between these countries. The Ngurdoto Pact was therefore an important post-war moment of constructive engagement between the countries and their leaders. For the purpose of this section, the issues covered in the agreement will be used as indicators of the range of complex cross-border and regional challenges these countries continue to face.

The following are some of the issues covered by the agreement.

- The DRC agreed to apprehend, disarm and demobilise so-called negative forces, including the LRA, the ADF and the National Liberation Army of Uganda.
- Uganda agreed to deny support to groups fighting against the DRC government, including the Forces Armées du Peuple Congolais of Jerome Kakwavu, the Mouvement Revolutionnaire Congolais of Bwambale Kakolele, and the National Congress for the Defence of the People led by Laurent Nkunda.
- Both countries agreed to remove troops from the contested Rukwanzi Island (located

in Lake Albert), and to set up a joint team of experts from both countries to remark the joint border.

- Both countries agreed to review other disputed border territories, such as the territory of Mahagi and the areas of Uriwo, Anzida, Angiero, Pagira and Pamitu.
- Both countries agreed to settle refugees at least 150 km from the common border, owing to a complaint by the DRC that militias were recruiting fighters from camps in Uganda.
- Both countries also agreed that oil fields straddling the border would be jointly explored and exploited.

Uganda's controversial involvement in the wars that erupted in the DRC during the late 1990s soured relations between the two countries. The Ngurdoto Pact was seen as a landmark event that reset relations and addressed points of friction. However, the agreement to jointly explore and exploit Lake Albert's oil fields has so far come to nothing. During 2010 news broke in South Africa that two exploration blocks on the Congolese side of Lake Albert were awarded to two companies, Caprikat and Foxwhelp. These companies were owned by President Jacob Zuma's nephew, Khulubuse Zuma, and the president's legal advisor in the presidency, Michael Hulley. These two exploration blocks had been awarded previously to Tullow Oil and the Divine Inspiration Group (South Africa).<sup>158</sup>

By awarding contracts for the two exploration blocks to Caprikat and Foxwhelp, the DRC government denied Tullow Oil the opportunity of exploring for oil on both sides of Lake Albert. This decision not only undermined the possibility of jointly developing oil operations on both sides of the lake. It also raised several ethical questions regarding President Zuma's family members and their business dealings, as well as possible involvement of senior politicians, such as Tokyo Sexwale, in the venture.

The Ngurdoto Pact's intention of bringing the countries closer, especially in terms of jointly developing cross-border resources, was frustrated by this deal and the resulting legal action by Tullow Oil against the DRC government. The DRC is deeply suspicious of the rapid development of the oil industry on the Ugandan side, fearing a repeat of the experience the country has had with its Angolan neighbour, which it accuses of siphoning off oil from Congolese territory. Nevertheless, the disputed borders and cross-border flow of armed rebel groups that the Ngurdoto Pact tried to address indicate the extent of the regional volatility and instability within which the Lake Albert region (and the petroleum industry) is located.

Relations between Uganda and the DRC remain strained. Uganda's regional behaviour on its western border with the DRC will probably become more militarised as the country moves closer to oil production. It is both necessary and justifiable for Uganda to deploy military and other security assets to provide protection against incursions by the ADF, or other terror networks. However, the history of illegal resource extraction, and Uganda's behaviour during the DRC wars, raises significant questions about the manner in which Uganda will project its military power once state coffers start receiving large volumes of revenue from oil. Based on the case of Uganda's role in the DRC, it is expected that Uganda under its current leadership regime may become more adventurous in its military endeavours.



## FIGHTING AL-SHABAAB IN SOMALIA, AT HOME AND IN THE DRC

Since its collapse in the early 1990s, conflict in Somalia has had a marked impact on the region. During October 2011 the AU issued a press release announcing that AMISOM had pushed al-Shabaab fighters from the capital city Mogadishu.<sup>159</sup> This is a unique victory, given that the AMISOM operation is the first multilateral intervention in Somalia in twenty years to gain control over the capital city. AMISOM was created by the AU Peace and Security Council on 19 January 2007. At the time, Ethiopia had just launched a controversial US-backed intervention in Somalia to bring pressure to bear on the Union of Islamic Courts (UIC) that had taken control of Mogadishu and Southern Somalia during the second half of 2006. The Ethiopian invasion led to a split in the UIC. The current Transitional Federal Government (TFG) president, Sheikh Sharif Sheikh Ahmed, was a prominent leader of a more moderate Islamist faction of the UIC.

The creation of AMISOM was received with much scepticism. Several critical questions were raised regarding AU capacity to effectively launch a military intervention in one of the world's most murderous internal conflicts. When considering the recent successes of the AMISOM operation, it is necessary to recall that on 9 December 1992, a US-led UN humanitarian intervention in Somalia began. This operation was doomed to failure when local resistance against US and UN forces led to the killing of several US troops, and the release of footage showing how the dead bodies of US marines were dragged through the streets of Mogadishu. The US withdrew its troops by 31 March 1994, and by 1995 the UN packed its bags to leave the country as well.<sup>160</sup>

The AMISOM force is composed of police, military and humanitarian components. It currently has 50 police officers from Burundi, Ghana, Gambia, Kenya, Nigeria, Sierra Leone and Uganda deployed in the country. The military component of the operation is the largest, with 9 595 troops drawn mainly from Uganda and Burundi.<sup>161</sup> AMISOM is mandated to launch peace support operations in Somalia to stabilise the country and to pave the way for humanitarian activities. Among AMISOM's mandated tasks, it has the responsibility to support dialogue and reconciliation; provide protection for the TFG and its related institutions; assist with the implementation of a National Security Stabilisation Programme; provide technical support for disarmament and stabilisation efforts; monitor security conditions in its areas of operation; and facilitate humanitarian operations including the repatriation of refugees and IDPs.<sup>162</sup>

Uganda supplies the bulk of the AMISOM military force. As a relatively small, landlocked East African country, it is shouldering much more than its responsibility to bring stability to Africa's war-torn horn. Uganda's involvement in the Somali peacekeeping operation can be lauded as an indication of the country's willingness to get down and dirty in the tough job of bringing stability to the region.<sup>163</sup> However, besides the fact that Uganda can be said to be constructively contributing to a significant AU operation in Somalia, several unanswered questions remain.

Uganda paid a bitter price for its participation in the AMISOM operation, when al-Shabaab staged terrorist attacks on Ugandan soil during July 2010. It is also important to note that, as was the case with Uganda's involvement in the DRC wars, controversy seems to follow Uganda's regional military engagements. Salim Saleh, President Yoweri Museveni's younger brother, has ended up in the midst of a storm due to the involvement

of his Uganda-registered company, Saracen Security, in the training of a Somali anti-piracy force. Salim Saleh is also explicitly mentioned as one of the key Ugandan players in the illegal extraction of minerals from the eastern DRC.<sup>164</sup> Questions are nevertheless being asked about the legality and political objectives of Saracen Security's training of a militia in Somalia. A cloud of mystery surrounds this training exercise.

That a company of the Ugandan president's brother – which also, coincidentally, provides security services on Uganda's own oil fields – is embroiling itself in the virulent mix-up of Somalia's conflicts could hold many negative consequences for the AMISOM operation. During the much publicised and disastrous US-led 'Black Hawk Down' mission in Somalia in the early 1990s, the US was criticised merely seeking a humanitarian cover for its real intentions of safeguarding the interests of US oil companies that were active in Somalia during the 1980s. Conoco, Amoco, Chevron and Phillips oil companies all held extensive oil exploration properties in Somalia under the Siaad Barre regime. After the collapse of Barre's government and the collapse of the state, these companies declared *force majeure*.

By allowing his younger brother to involve himself in a somewhat risky and politically inflammable conflict, the Ugandan president runs the risk of providing ideological cannon fodder to Islamist forces opposed to the AMISOM operation. Leaders in the Somali insurgency argue that Museveni is only interested in Somalia's oil, citing as 'evidence' Uganda's involvement in the DRC wars and allegations of gross human rights abuses and the plundering of mineral resources.

Regardless of this controversy, exploration for oil and gas deposits is clearly an option for some of the world's adventurous oil exploration companies. On 17 January 2011 Africa Oil (Canada) announced that the company, together with its partners, Range Resources and Lion Energy, had concluded negotiations with the Puntland government. Puntland is a semi-autonomous region that, like Somaliland, unilaterally separated itself from Somalia after the collapse of the Somali state in the early 1990s. Africa Oil's exploration licence for the Dharoor Valley Exploration Area and the Nugaal Valley Exploration Area has been extended to January 2012. At the time of the announcement, Keith Hill, president and CEO of Africa Oil, was positive that the upcoming wells in the rift basins of Puntland hold the same potential as related basins in Yemen, which have yielded upwards of 6 billion barrels of reserves.<sup>165</sup>

Uganda's involvement in the Somali peacekeeping operation should, however, not be judged as mere opportunism. The regional impact of instability in Somalia is substantial. In addition to Uganda exposing itself to the threat of terror strikes and reprisal attacks launched by al-Shabaab on its territory, it is also necessary to point out that there is an increasing body of evidence linking al-Shabaab to the ADF based in the eastern DRC.

The ADF was formed in 1989 by Sheikh Jamil Mukulu. Mukulu is a prominent Ugandan Islamist and member of the Salafist Tabliq Jamaat Movement. Although the organisation's political objectives remain relatively unclear (among other things it aims to install an Islamic state in Uganda), the one specific task it had set itself from its inception was to overthrow Museveni's government.<sup>166</sup> During the late 1990s the ADF was responsible for a series of attacks on restaurants, buses, markets and communities in Uganda. These attacks led to the displacement of thousands of Ugandans living in the western parts of the country. The government countered the ADF attacks and ultimately drove it across the border into the DRC, where it operates mostly in the Rwenzori mountains.

Before the al-Shabaab attack on Kampala in July 2010, evidence began to surface of increased contact between al-Shabaab and the ADF. Both organisations have Islamic Salafist political orientations, and share a common enemy in the form of the Museveni government. Raids carried out on ADF bases by Congolese government forces during 2009 and 2010 uncovered evidence that together al-Shabaab and the ADF intend to establish another mujahideen frontline on Uganda's border with the DRC.<sup>167</sup>

During 2007 the ADF managed to penetrate into Ugandan territory across Lake Albert. Although the UPDF managed to repel the attack, the Ugandan government has consequently become increasingly sensitive to the security threat a resurgent ADF may pose to the country's oil operations. The positioning of Ugandan special forces at strategic locations along the Lake Albert shore is an indication of the potential danger Uganda sees in the region. Uganda is therefore not only fighting al-Shabaab in its AMISOM operation, but is clearly also confronting a growing danger on its western border owing to increased contact, training and financing the ADF is receiving from al-Shabaab elements. Uganda is thus caught up in the midst of a regional antiterror campaign. It should, however, also be pointed out that some critics of the NRM government contend that Museveni has been known to use the threat of terrorism as a means to justify repression to stay in power.

## CONCLUSION

Uganda's regional involvements often have a military dimension. In the case of the LRA and the ADF, it has launched cross-border military operations to punish these recalcitrant opponents to the Museveni government. The plunder of resources in the DRC and the consequent impact of its military adventures in destabilising the region show that Uganda's military leaders do not shy away from fights in the regional theatre.

Although it is possible to question Uganda's role in the DRC, its involvement in the AMISOM operation is a crucial element in the relative success it has achieved in its fight against al-Shabaab in Mogadishu. Uganda has made a significant and positive contribution to the quest for stability and an end to the downward spiral of conflict that has engulfed Somalia for the past two decades. However, rumours of Ugandan intentions of involving itself in the oil industry in Somalia have damaged the legitimacy of the AMISOM operation. To help rectify this, it will be necessary for Uganda to allay such fears inside Somalia.

As a petro-state, and given the history of its involvements in the region, Uganda is likely to become increasingly militarised. This may in turn translate into an even more militarised foreign policy in the region, although this does not necessarily have to be the case. Uganda's experience in the AMISOM operation and its ability in training and deploying troops in a very difficult environment can become a strategic asset in the AU, Intergovernmental Authority on Development and the East African Community's peace and security interventions. Uganda's policymakers will have to decide whether its military experience will be used for the enrichment of military commanders and politically connected individuals, or for the greater good of the objectives of peace and security in its regional neighbourhood.

Threats from the al-Shabaab–ADF alliance located in the eastern DRC will remain. Uganda therefore has a vested national interest in seeing to it that al-Shabaab is

significantly weakened, or totally removed from the Somali political landscape. So long as al-Shabaab remains embroiled in its war with the TFG of Somalia and the AMISOM troops, Uganda is likely to remain a target in terror operations. The Lake Albert oil operations could become a relatively easy target for groups such as the ADF and al-Shabaab operating from the DRC. It is therefore to be expected that Uganda's western border will become increasingly militarised with a primary focus on combating actions launched by rebel groups and terror networks with the intention of doing harm to Uganda. In the last instance, Uganda's regional power is likely to grow significantly once it becomes an oil producer.

## CHAPTER 6

### CONCLUSION

Global demand for oil will increase dramatically in the coming decades. Inland and offshore oil exploration activity in Africa is set to increase as oil companies compete to locate new commercially recoverable deposits of the resource. This research report focused specifically on the case of oil developments on Lake Albert on Uganda's western border with the DRC. As global demand for oil grows, exploration companies are venturing into new territories, and with such activities come social, environmental and political challenges.

The report analysed the social and political impact of oil exploration activities on communities living in the vicinity of Uganda's oil fields. The project also aimed to analyse the political implications oil production holds for Uganda's national politics, and its regional posture. In order to contextualise the discussion of Uganda's oil, the report began with an overview of Uganda's historical experience of state-making. In this regard it was argued that since independence, the Ugandan armed forces and the military have played a significant role in the country's politics.

The report also discussed challenges to Uganda's democracy that point to the danger that, as a petro-state, Uganda may become more militarised. It interrogated Uganda's regional involvements, especially its incursions into the DRC during the late 1990s and early 2000s. The country's current involvement in the AMISOM operation was analysed to highlight its constructive engagement in the realm of peace and security in Africa. However, Uganda's participation in the AMISOM operation has made it a target of regional terror attacks launched by al-Shabaab. This poses a direct security threat to Uganda's oil fields owing to links between al-Shabaab and the ADF located in the eastern DRC. Although militarisation poses a threat to Uganda's democracy, the country has to safeguard its critical resources against rebel incursions or terror attacks launched from inside the DRC. The conclusion to be drawn from this is that Uganda, on the eve of becoming an oil producer, is caught in the middle of a regional conflict centred upon Somalia, which has reached as far as the western DRC. Uganda and the DRC need to co-operate in more substantive ways to prevent the eastern DRC from becoming a staging ground for regional terror organisations.

The fieldwork conducted for this project aimed to identify the discourses on oil and oil-related developments, present in the societal nexus of communities living in the vicinity of oil fields. Findings from the fieldwork were presented, and indicated that discourses of fear and social uncertainty are prevalent in communities directly affected by these developments. Fears of forced removal to make way for oil infrastructure, fears of environmental damage and oil spills, and frustrations regarding a lack of information and consultation about oil developments are shaping discourses of uncertainty and political marginalisation. Uganda cannot allow its volatile western border to become the site of a new struggle between central government and a disgruntled periphery. It is imperative to find mechanisms for communities to be informed and consulted about over planned

developments in the oil sector. This poses a direct governance challenge to corporations and government, and calls for the establishment of community forums that can act as co-operative governance structures to bridge the dangerous divide between communities on the one hand and the government and oil corporations on the other.

Local-level frustrations include concerns over environmental destruction, the lack of information on oil developments, and the fact that communities are sidelined from any planning processes related to oil developments. It emerged from the fieldwork that a perception of political marginalisation has taken root in communities affected by the oil industry. The danger with such a dynamic is that, typical to regions and communities affected by oil developments, grievance politics and new conflict dynamics could emerge.

The Lake Albert oil operations will draw a new level of activity during the next few years as they move from exploration to production. This will entail the construction of oil pipelines, a refinery and related infrastructures. These developments will present new challenges to local residents who will have to adapt to a rapidly changing local economy. The challenge government and corporate actors face in the Lake Albert region is not to alienate residents, and to find ways of allaying fears of marginalisation through constructive developmental interventions that could bring some of the benefits of oil to local communities.

Major expectations also emerge with oil developments. From the Bunyoro Kingdom's questions about the benefits the kingdom is set to obtain from oil, to calls for employment, educational assistance and health-care facilities, there is no shortage of possible sources of frustration with a government and oil companies that seem disinterested in the fate of local residents. A co-operative governance approach is thus essential to allay fears, and to inform and educate communities about the oil industry.



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