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R. H. Green.

Uganda's Plan For Growth and Development:
An Analysis of and Preliminary Reflections on Work for Progress *

Uganda's Work for Progress complete the advance of East African states into the presentation of comprehensive, ambitions plans with fairly definite macro and sectoral tergets and directed toward economic development including change as well as growth. As with Tanzania's 1964 plan and Kenya's 1966 (with appeared a fortnight earlier), Work for Progress is the first fully post - independence plan and the first formulated on the basis of national governmental goals and development aims as opposed to those of external study groups or terminal colonial regimes. Work for Progress may, at the same time, represent a further step: its formulation began from and its final version is heavily influenced by a quantitative analytical model of the Uganda economy (see P.Clark Development Planning in East African, East African Publishing House for EAISR, 1965, Chapters IV and V). While the implicit model deriveable from the Tanzania Plan is similar (Clark, Chapter VI) and that of the revised (not the 1964) Kenya Plan may be, neither attempted to use a macro - sectoral interrelationship model as a guide to micro - formulation and consistency - feasibility tests.

Work for Progress bears the marks of haste in the final stages of formulation and harmonization. Macro and sectoral projections needed for implementation and deriving from stated or presumptively available data are absent. More important several problems of accurancy and consistency arise on examination of the quantitative tergets (see Tabular Appendix). These weaknesses are the result of the sudden loss of one chief economist (Dr. W.J. Lissowski) and his replacement by Dr. B. Van Arkadie who undertook major revisions in the then existing Working Party Report - Draft Macro Programme calculations and interpretations. While extremely serious - at least potentially - these inconsistencies do not spring from basically faulty analysis nor do they - at this point - present insurmountable barriers to implementation.

II.

Work for Progress is far from being Uganda's first development plan - that could be dated to the 1920 Economic Development Commission and certainly not later than the 1946 Worthington Plan. Nor is it the first plan presented by the present Uganda People's Congress government, the First Five Year Plan (1961-66) appeared in final form in 1962-63. The overall annual real increase goals of 6.3% for Gross Domestic Product and 7.2% for monetary GDP (excluding self consumed output) set for 1966-71 are below the rates prevailing in the late 1940's and early 1950's as well as since 1962. 1966's gross fixed investment target of £35 million (17.7% of monetary GDP) is absolutely only equal to preliminary estimates of 1965 investment and as a share of monetary GDP is not only below 1965 but several years in the 1950's.

What, then, is the basis for asserting that Uganda's Second Five Year Plan represents a major advance in government economic strategy and policy and a signifigant step toward attaining more rapid and sustained economic progress? If it does, how seriously can the projected growth rates and the physical targets underlying them be taken? What are the chances for substantial success in the vital implmentation phase of the Plan both as to work put in and economic progress secured?

The first question can be answered reasonably succinctly and definitely. Work for Progress is the first comprehensive Uganda plan in two senses. It is set in the framework of a fifteen year perspective whose central economic goals are the creation of a structurally modern

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economy capable of largely self generated and self sustained growth and the doubling of per capita monetary income from a£25 average in 1966 to over£50 in 1981. The Plan is also comprehensive in presenting sectoral and sub-sectoral (e.g. major crops, industrial products) targets for the private as well as the public portion of the economy and in outlining a pattern of policies and institutions designed to ensure public and private sector target achievement.

Nothing could be further removed from the old "public sector shopping list" type of plan with few overall targets, fewer national or sectoral quantitative projections, and almost no detailed targets or policy patterns related to the private sector than <u>Work for Progress</u>. This Plan is, in fact, a better theoretical as well as practical exposition of development economics under African conditions than a majority of standard university texts on the subject.

The use of a quantitative analytical model was designed to lead to a broader knowledge of the economic linkages and interactions in the Uganda economy. It was used to give some indication of potentially feasible overall targets and - once the growth target was fixed - of input requirements by type.

It shows what pattern of resource mobilization and allocation would be needed to attain the economic goals of the Plan. Public programmes and policies have been constructed to determine or influence resource use in the requisite directions.

Equally significant, <u>Work for Progress</u> has made use of broadly based participation in formulation and commands substantial commitment to its implementation-neither of which could realistically have been said of the First Five Year Plan. Over 125individuals - almost half businessmen, labour unionists, professionals, and academic social scientists - encompassing major government, parastatal (e.g. Uganda Development Corporation, East African Railways and Harbours), and private sectors and institutions were integrally involved in plan framing and preparation. This approach should result not only in more realistic and accurate calculations within the Plan but also a broader understanding of it and a greater belief in the value of implementing it.

The Planning Commission (of the Cabinet), the Cabinet, and the President have been actively involved in <u>Work for Progress</u>' formulation from preliminary draft projection discussion in 1964 to final pre-publication amendments in 1966. Its implementation is seen by them as vital to their socio-political goals for Uganda and - more mundanely but no less crucially - as important to their government's retention and consolidation of public support. Understanding and commitment at top political and civil service levels is the only ultimate assurance that any plan's implementation will be prosecuted seriously when hard decisions have to be taken. Uganda's Second Plan does call for such decisions, <u>vide</u> the section on incomes' policy and the 1966-67 <u>Budget</u>.

However, a number of obstacles exist to ensuring that the knowledge acquired remains effectively available and that the commitment becomes an effective force for implementation. First, the grasp of the Ministry on the basis of Plan data - whether macro projections or micro - projects - is, at present, alarmingly fragmented and patchy. The changes in staff and the haste of November - March revisions explain this but overcoming, not explaining, is now needed. Second, the general commitment via Working Party participation and ministry suggestion will not remain - much less take on specific programmatic form - unless there is continued contact plus the creation of actual (not paper) planning units in ministries (only Education appears to have a formal unit today although Agriculture probably has one <u>de facto</u>). Third, the proper relationship between autonomous parastatal bodies (both Ugandan and East African) and the Uganda government (in this context Uganda Development Planning) must be formulated and put into effect. Far greater provision of <u>ex ante</u> information and more detailed coordination of decision making is vital. Parastatal bodies are the creatures [illegible] created them not their masters. The nat[illegible] extent of their autonomy should depend on how the specific goals interested to them can best be carried out within the framework of overall public policy. If this occurs in Uganda today, it is despite - not because of - inadequate exchange of information and utterly inadequate structures for coordination of decision taking as well as implementing. Fourth, a national network of bodies and individuals (by no means necessarily or even principally within the Ministry) is necessary to apply, coordinate, gain support for, and recommend modifications to Work for Progress on the Provincial-District - Saza levels. Either the Kenya (probably marginally too "official" and too little popular) or the Tanzania (probably marginally too diffuse and too little integrated into the planning process) system could provide an initial basis for creating a Ugandan pattern. The nature of the choice is not independent of what role is planned for the-presently rather weak; frogmented, and disorganized at the mass and local levels - UPC. The Kenya pattern does not depend on an effective, policy initiating and programme proposing grass roots party (wisely given the present state of KANU) but the Tanzanian does. Fifth, the understanding of the nature of integrated planning as a discipline requiring unpopular decisions and policies if popular goals are to be attained must be made operationally clear to and accepted by all ministers, a substantial majority of signifigant political figures, all key public sector economic decision making technocrats, and a substantial majority of their senior staffs. One may doubt whether this understanding and acceptance now exists to the extent of agreeing to and acting on limits in expenditure of their own bodies. The operation of the 1966-67 Budget will be a test of how much can be attained how promptly in this key area. Uganda's past bursts of economic growth have not proved sustainable after the initial export boom impetus faded. From 1955 through 1962 real monetary output per capita declined steadily. Growth of national product has not for an length of time been able to exceed the growth rate of exports. To achieve and maintain growth rates of over 7% a year requires a radical change in this regard given export growth projections of 4.4%. The new Plan is squarely directed at attaining this change primarily by altering the domestic structure of production to permit a growing portion of national demand to be met by Ugandan produced goods, thus the emphasis on rapid industrial growth-10.1% a year for 1966-71. Financing this change will entail securing a sharp increase in foreign public and private captial transfers which are projected to rise from £8.8 million in 1966 to £ 17.0 million in 1971 following a jump from £1.8 million in 1964.

1966's investment target is pitched at the 1965 level because 1965 represents an export boom generated peak virtually double 1962's £17.7 million. From 1966 onward an 11% annual growth in investmentiis posited as needed for the attainment of the £280 million monetary GDP target for 1971. In fact 1965 actual investment was probably about £32.5 million (£30 million excluding defense as per plan) so an 8% (17%) 1965-1966 increase is needed.

The annual growth of monetary GDP is slated to rise from 6.7% in 1966 to 7.8% in 1971 and 7.9% thereafter. These targets are based on the self evident-but all too often ignored - premise that capacity for economic growth should be increased as part of the process of development. To posit constant growth rates throughout a plan period-much more to call for a huge initial year leap in either investment or output - is to court apparant failure in the first year and/or to aim below possible levels of achievement in the final years.

Development planning is itself a developing art - a very rapidly developing one in East Africa, as comparison of the 1961 and 1964 Tanzanian, the 1964 and 1966 Kenyan, and the 1962-3 and 1966 Ugandan Plans demonstrates. Tanzania's 1964 plan represented a major break-through to basically comprehensive and ambitious development planning in the East African context. Both 1966 Plans have growth targets and development strategies in many ways similar to Tanzania's pioneering effort but both also represent advances in implementation programming and pre-preparation of firm sectoral and project proposals.

The questions of realism and probability of substantial attainment require more detailed examination of Work for Progress. Uganda's 1955-62 stagnation was not, after all, simply for want of effort. Investment actually rose through 1956, the Owen Falls Dam-Jinja industrial complex-Uganda Development Corporation developments stemming largely from the early vision and energy of Governor Sir John Hall were pushed forward.

State reserves from the boom period were used to sustain and, in some cases, expand social and economic services. What reason is there to believe more effective maintenance of growth in the face of slow export growth can be achieved now?

One answer, of course, is that the 1950's and early 1960's were by no means wasted time so far as laying a foundation for future development is concerned - the ability of the economy to grow 10% a year from 1962 to 1965 when supported by a new export boom demonstrates that. Physical infrastructure (roads, railways, hydroelectric power), human capacity (educated high level manpower, a more stable and experienced wage labour force) plus the ability to expand it (health, education, pure water supplies), institutional competence (UDC, the civil service, the planning machinery itself) the industrial base (a not inconsiderable £23.6 million or 12% of monetary GDP in 1966) are all of a very different and much higher order today than in 1954. So too is the comprehensiveness and potential effectiveness of public policy and of political will and ability with a national as opposed to a colonial government) to secure necessary support for effective prosecution and execution of state policy.

III

Work for Progress' interlocking strategy for rapid economic growth, alteration of the pattern of production, and attaining greater social justice through broader distribution of gains from development turns on the attainment of substantial implementation in seven policy-programme areas. What is needed is not precise attainment of each target-indeed, unless one assumes omniscience in regard to present economic realities and clairvoyance over the next five years on the part of the planners', exact point by point "fulfillment" would not be an optimal result as opposed to systematic improvement and revision within the overall implementation process.

Plan targets represent-in most cases - a "middle estimate" of what can be achieved if external economic events (weather, foreign investment, export prices) are mixed with some more and some less favourable than expected and the effectiveness of investment programmes and of public policy is also a mixture of delays and early successes, of partial failures and of attainment of higher output levels than anticipated. For central government development spending three targets and phasing patterns exist for the plan period-the middle or "trend" one already cited, a peak to be reached if events are better than could reasonably be expected, and a minimum or "core" programme attainable even if there is series of unfavourable circumstances beyond Uganda's control. This flexibility around apparantly precise targets is a source of strength, not simply because it means that 100% fulfillment of each sub-target is not essential to successful Plan implementation, but more because it demonstrates the Uganda planners' concept of economic development planning as a process of continuous adjustment to new limits and opportunities within an overall set of priorities and goals. Without adjustment, any plan becomes dangerously brittle in implementation, neither able to survive shocks nor to seize new opportunities. Without an overall priority frame, adjustments tend to become random and uncoordinated resulting in a loss of any overall sense of direction and in relatively inefficient allocation of available resources in the public and private sectors alike.

1. <u>Development and Structural Change Goals</u>

One set of goals is that for changes in the makeup of production and in the techiques used in obtaining it. Even a glance at the 1966-1971-1981 Gross Domestic Product tables illustrates the growth importance of industry (both to generate and to meet higher consumption goods and construction material demands) and of construction (to allow physical programme implementation). Less immediately evident are the shifts within sectors (e.g. among export processing, food manufacture, other manufacture) and those dependent on the introduction of new productive techniques. The agricultural targets can be met only if application of insecticides and fertilizers, use of improved seeds and methods (including more hired labour and implements), and effective provision of supporting credit move ahead on a large scale-affecting say 250,000 of Uganda's 1,000,000 odd farming units. Agriculture - with an absolute monetary output growth target of £21.2 to industry's £14.5 million illustrates both the limits on change and the degree to which very real changes may be concealed within apparantly similar aggregates. 75-80% of the labour force is now engaged in agriculture, at least 55% of national product directly depends on it if one includes processing and trade in agricultural products, 90% of normal export revenues are derived from farm products. Rapid growth of monetary output, exports, and general living standards r. require the top priority given to agricultural and rural economy growth in output and development of techniques of production in the Plan. The makeup of farm output is to change to commercial and away from self-consumption production, to industrial sector raw materials, to higher revenue and/or nutritional value items (e.g. meat, milk). Combined with improved methods and sharply increased provision of social and economic services in rural areas, the result sought is radical change not merely growth in agricultural output within the present rural setting.

2. Growth Rates

Growth goals average 7.2% a year for monetary and 3.2% for self consumed product averaging 6.3% overall for 1966-71 with higher rates, 8%-3.2%-7.1% respectively, for 1971-81. Per capita monetary income is slated to rise 4.3% a year in the present and 4.9% a year in the next two plan periods. Taken by sector, growth goals range from 11.3% a year in construction (or 12.6% if non-food, non-processing manufacturing is taken separately) to 5.1% for agriculture and animal husbandry. Rather surprisingly, the traget for non-governmental services at 7.9% a year is substantially higher than that for government at 7.8%, total monetary product at 7.2%, or production of goods at 6.7%. While the creation of a more modern economy does tend to alter the makeup and under some circumstances raise the relative size of the non-governmental service sector, the commerce, transport, and miscellaneous service growth projections look rather high compared with those for other sectors.

Indeed, a strong case exists for constructing a projected Resources - Uses flow table and a simplified Input - Output table for 1971 to test consistency for sectoral, main quantitative commodity, and import targets. Transport and communication is particularly doubtful - why this sector should 125% as fast as goods produced in the face of a declining share of exports (normally transported for greater than average distances) and of massive investment likely to reduce real transport costs per ton mile is most unclear. Similarly the 9.3% growth rate of "miscellaneous services" may be correct but needs to be supported by projections for its key components: education, health, other non-administrative government, hotels, bars and restaurants, professional. The implicit 1971-1981 growth rates by sector look fairly plausible but would be strengthened (and probably revised) as a basis for perspective planning if a fourth 1971-1981 change in resource allocation and supply and in input - output structive study were made from the 1971 estimates. Average output per head is to rise from about £33 (£25.7 monetary) in 1966 to £40 (£31.8 monetary) in 1971 and £61 (£52.6 monetary in 1981. Self-consumed output per head is expected to rise slightly on the basis of improved rural diets and higher quality self-built housing but to fall from nearly a quarter to about a seventh of total domestic product by 1981. These per capita figures underline how painfully slow the process of increasing the absolute level of average output per person is when the base level is very low and includes a substantial self-consumption component.

The overall GDP growth sought by 1981 is £440 million (over 167% of present output) and that of monetary output £402 million (about 200% of the 1966 level). Over the fifteen year period, the largest absolute monetary sector target increase is for agriculture £88.5 million (120% of present output) while industry and processing is second with £74.7 million (over 300% of the 1966 level).

3. Investment Levels

To achieve the output growth targets, investment must rise from £35 million in 1966 to £60 million in 1971 or from 18 to 21% of total monetary output. To finance this increase, annual domestic (public and private) savings will need to increase by £21.5 million (over a fifth of the total increase in monetary production) and net (after increased repayment of loans and interest-dividend outflows) foreign capital inflow by £3.5 million a year in 1971 compared with 1966.

If these goals are to be met, a massive mobilization of resources by the state, the para-statal bodies, and the private sector will be needed. The 23% rate of domestic savings out of increased monetary output called for is virtually twice the 12% base rate of 1966 domestic savings to monetary GDP. A five year central government surplus of £30 million over recurrent expenditure (financed by higher taxes), maintained and increased para-statal organization profits and securing of foreign investment or loans, and increases in all forms of private savings (including, e.g. social security and insurance) as well as farm sector savings to repay productivity raising loan are integral and vital plan goals.

In fact the investment requirements appear to be seriously understated on four heads: defense, non-investment recurrent, inventories, and rural private. While the understatements probably do not render Work for Progress' goals unattainable to any signifigant degree they will greatly tighten the constraints operative in domestic public revenue and in foreign balance as well as lowering the apparent possible rate of increase of per capita monetary consumption from 3.1% to 2.8% (See Tables 4-5-6.)

Defense non-recurrent spending - buildings and military hardware - is not included in the Plan either under government recurrent or investment. This means a pari passu understatement of government revenue needs and overstatement of allowable consumption by the full amount (perhaps £9 million minimum) on the Plan. Further as 75-90% of such spending has been on imported hardware quite serious balance of payments problems seem likely to arise on recalculation. Quite apart from the need for recalculating to account for actual probable spending, it is vital that Defense "investment", be bought within the Plan viewed as a national resource budget. In 1965 it accounted for almost a quarter of public Development account spending and may be a sixth in 1966. Unless restraints are imposed rising Defense spending on Development account can swamp or cripple Work for Progress' implementation.

Government non-investment development spending is not treated consistently. It appears in government sector Plan finance requirements but not in the implicit 1971 resource allocation pattern. Again this results in understating needed growth in national savings plus recurrent government and overstating possible consumption growth (by £10 million over 1966-1971).

Inventory investment is lumped with consumption. If estimated at 20% of additional monetary GDP it will come to £6.4 million over the Plan period. Assuming that productive sector increases are made and that credit development (woefully underanalyzed in Work for Progress) does take place no problems are likely to arise on the domestic inventory side. In regard to imports greater difficulties might appear. Although the negative rate of increase of consumer goods imports posited (zero for manufactures, negative other consumer goods) should mean no net increases in that sector, this does not hold for raw materials, fuel, construction materials, or capital goods.

Private rural investment is vastly understated - probably by £25-30 million (assuming Plan target fulfillment on the output side). However, on the order of three quarters of this represents direct labour and natural growth (land improvement, minor facilities, tree crops, livestock). Only £5-6 million (wages fund, productive input fund, other working capital, tools) is likely to require reallocation of cash income from consumption. How big a boost this is is is very unclear as such investment is not now estimated but, assuming the success of the public rural development programme, this £25-30 million should be self generating.

Investment in rental buildings also looks low but by how much is difficult to estimate. The danger here is that private savings will be sucked into high income housing construction and away from more critical areas.

Recalculations of this nature suggest £280 million (plus £10 million non-investment development and £10 million defense investment) not £230 million investment requirements.

It may be worth noting that the figure gives a Gross Incremental Capital Outpuc Ratio of 3.4 and an Agricultural are of 2.4 - both signifigantly more probable than the 2.8 and 1.0 of the Plan's own figures. The net ratios are probably on the order of 2.4-2.5 and 2.0 respectively for the adjusted totals.

Added cash investment needs are on the order of £25-30 million (£15 plus million in inventories) plus £20 million in non-investment Development (largely rural productivity raising) and Defense. The 30.4% incremental savings rate needed for investment side appears attainable (it is actually only a 20% odd rate for added private savings to added private post tax monetary income). The problem lies with the government £20 million whose covering implies that 1971 public revenues from domestic sources must be of the order of £72.5 - 75 million, or £2-5 million above the Plan's implicit projection. Part of the problem here is the 1965-1966 base including a £1.6 million 1965-66 Recurrent Deficit and a £5 million odd 1965-66 marketing board deficit. Even the stringent 1966-67 Budget and the anticipated 1966-67 Cotton-Coffee price slashes leave a government/board deficit of at least £1.5 million for 1966 is a surplus (on Recurrent expenditure toward all Development spending including non-investment and Defense) of £10 million required by 1971. The gap in present Plan projections of revenue and domestic borrowing and adjusted spending requirements is on the order of £17.5-25 million over 1966-7.

4. Foreign Balance

Balance of payments targets turn on securing a 4.4% rate of growth in merchandise exports and a 9.3% annual rate for invisibles (transport, tourism, etc.), holding the growth of merchandise imports to 5.7% a year, and securing a 14% per year increase in gross foreign capital inflows. Of these the import limitation goal - which is to be backed by quantitative import controls if necessary - is the most demanding. If import growth rates are to be held to 80% (actually near nil for consumer goods imports given the rapid increases in capital goods and industrial sector inputs required by other Plan goals) of monetary product rates, industrial and agricultural diversification physical targets must be met both in terms of absolute volume and of turning out goods qualitatively acceptable at prices within a 10-20% range of those now prevailing for imports (including tariff). If, however, consumer imports rise much faster than planned, the basic problem may not be the resultant balance of payments crisis. Rather, the import increases will be both a cause and a sign of serious failures on the consumer goods growing, processing, and manufacturing fronts.

Examination of external balance details (see Table 6) confirms this view but also poses additional problems raw material, fuel, construction material, and capital goods imports are to rise by 40 to 75% are 1966-1971, adequate to support major investment and modern sector current production increases. But the zero growth target for consumer manufactives means substitution, for mass manufactives as rapid as increased imports of more complex consumer goods. In the case of food imports - posited to fall-substitution is apperantly posited for a really substantial share of Kenyan grain - dairy - livestock - tunned products.

The reallocation of the "Coverage Adjustment" to the sectors probably causing it reduces the allowable growth rate of imports to 5.1% (i.e. an import income elasticity of .7 vis a vis monetary GOP) and of non-government transfers over - 12%. The latter - implicicly involving ending of remittances by non-Ugandan african workers - is palpably implausible.

The payments figures as presented are apparantly on a trend basis. If the uncovered external deficit is so calculated it comes to £ 12.1 million (without any adjustment for the investment - resource imbalance noted above) for 1966-1971 reaching 0 in the last year. With January 1966 basic free reserves of under £15 million (government about £13.5 million but less £2.0 million sinking fund specific reserves and £3.2 million over-draft plus perhaps £5 - 5.5 million net due on Currency Board decomposition) this trend cannot be followed. 1966's estimated (probably conservatively) loss of £4 million already creates a situation in which the Bank of Uganda's currency backing requirement (40%-£9.5 - 10.0 million) leaves neither adequate free reserves for even seasonal fluctuations nor a margin to cover needed currency expansion to go with growing monetary GOP.

Common market export - import projections appear both doubtful of attainment and of political acceptability if attained. 6.2% for export growth certainly depends on sharp sugar export expansion (is 1964 to 1966 collopse) and even so may be unrealistic in that several bulk exports e.g. cotton seed oil, tobacco, textiles cannot be expected to perform this well. Assuming the export target is reached a growth rate of East African imports to Uganda of no more than 4% is consistent with unworsened trade deficit with the Common market. If attainable this target must imply heavy reduction in food (including processed food) and clothing - shoe exports from Kenya slightly mere than balanced by increased imports of mere complex manufactures plus a mere rapid growth of imports from Tanzania (currently in deficit with Uganda by about £1 million on goods account). Any other pattern is most unlikely to prove consistent with continued East African economic community viability.

An interesting point emerges in foreign private capital. In 1966 reinvested earnings are larger (£2.0 is £1.8 million) than net inflow while even in 1971 they will constitute about 90% of it (£3.4-3.6 of £ 3.8 million). Over the 1966-1971 period they appear to run to £14 of £15 million. This suggests that a combination of fiscal incentives to reinvest in Uganda plus specific arrangements, e.g. via UDC, for technically needed foreign private investment - management - expertise packages <u>not</u> general "foreign investment incentives" is the more promising route in regard to this sector.

5. Social Justice

Work for Progress reiterates the need for accepting development as requiring sacrifices as well as yielding benefits. From this follows its fifth set of goals-those for social justice in sharing of benefits and sacrifices. Tax policy is to be based on the principle of higher absolute and relative demands on those with well above average incomes. Benefits-so far as is consistent with maintaining the rate of growth which is their source-are to be distributed widely.

Examination of programmes - especially in agricultural loans, outgrower schemes, and extension services, cooperative and community development, health, education, rural water supply, and social security-indicates social justice has been a serious criterion in Plan formulation. While the low base level of incomes and of services limits both the quality and coverage in the fields cited, in each of them *Work for Progress'* targets represent very real advances in how many Ugandans are assisted how much in increasing their incomes and/or their general welfare.

6. Employment Goals

One of the requisites of social justice is opportunity to earn a living. With agriculture expected to grow less rapidly than the overall economy, an urgent need exists to increase the level of non-agricultural wage and salary employment-now about 230,000 which is 9% of total labour force or 3% of population. Both of these ratios are lower than in 1950 while the total employment is absolutely about the same as in 1964.

Plan estimates call for 62,000 new wage and salary posts outside agriculture (as 4.9% rate of increase) and 38,000 in it (including "outgrowers" a 7% growth target). Between 1966 and 1971 about one fourth of the net increase in the labour force (perhaps 80,000 annually) can be employed in wage and salary jobs. This ratio-while far better than the 9% base- is not satisfactory, even assuming that monetary farming can absorb one quarter of the net additions leaves almost one half to enter basically subsistence agriculture over 1966-71.

Largely the difficulty arises from the present employment base and economic structure. To build a modern economy productivity per worker must be raised. *Work for Progress* implicitly calls for an increase of 3.3% a year in output per non-agricultural wage and salary worker. While limiting-or appearing to limit- employment growth in the short run, a sustained increase in productivity is essential to attaining the high levels of output per capita which are requisite for high living standards. To create jobs by fiat or by using production methods which leave output per worker staganant or falling is not a highread to development but a dead end.

The overall productivity increase goal is in itself surprisingly high given the proposed C/O ratio. By sector some of its components appear far too high e.g. electricity, government administration, construction, manufacturing, and probably transport and communication. (See Table 7.). In the case of construction this may represent a policy decision to substitute capital for labour, to save construction time (and make up for days in preplanning of construction programmes) as much as money (or a fortiori real resources). If so, the decision should be reconsidered. Overall these ratios suggest that a rather more ambitious set of employment targets may be attainable if public policy is altered to end subsidizing the substitution of capital for labour, e.g. by making tax credits dependent on increase in capacity not of physical investment.

The high level manpower projections are not particularly convincing. Their apparent precision is purely the result of calculating techniques and is highly misleading. On balance they may be conservative. This is as well in that the addition of plan educational output targets plus present levels of private candidates and overseas students yields manpower surpluses at <u>all levels</u> for 1966-1971 and gross "over-production" thereafter if the demand projections are correct. These, if real, can be absorbed by highly desireable upgrading, e.g. of primary teachers and clerks. However, that implies radical lowering of the average starting income for all levels of educational attainment, a move which will be intensely unpopular and put very severe strain on the incomes (wages and salaries) policy.

Adjusting for the revised investment - public development expenditure needs suggests that 5.4% monetary (2.8% per capita) and 4.7% overall (2.1% per capita) limits are more realistic. These are still - on the macro level - quite confortable. Two goals are set for distributing increased consumption: providing incentives for achieving higher productivity (via promotion and skill differentials) and ensuring more rapid growth of low than of high incomes. Overall, growth in money incomes must be held to rates consistent with those of the rise in goods and services available. Failure in this respect - leading to rapid price inflation - would create serious balance of payments difficulties, hamper the growth of public sector savings, and redistribute income away from the lowest income groups-particularly small farmers.

(10A Here)

<u>Work For Progress</u> presents and faces the fact of limited available increases in consumption consistent with rapid and sustained growth. The policy set out is one of limiting wage and salary rate increases to 1.7% a year with the rate 3.5% for those in the under L 90 a year income group and 0% for the over L 600 salary category. Implicit patterns of money income and consumption expenditure growth can be derived for the entire monetary economy. Wage and salary incomes are to rise 9% a year (largely from increases in numbers employed), cash agricultural earnings 5%, and other self employed-rent-profits incomes by perhaps 7.5% a year.

7. Incomes Policy

If the growth goals (or limits) for domestic product, public consumption (8% a year), domestic savings, and overseas capital payments are attained, a 5.0% Plan rate of growth in total real consumption and 5.8% in real monetary consumption will be possible consistent with meeting foreign balance targets and avoiding rapid price increases. Per capita the overall annual growth can be 2.5% a year. The absolute increase sought are £40.5 million in monetary and £51.5 million in total consumption over the period 1966-71. Like other Plan targets these are in real terms net of tax or other price changes.

Allowing for higher taxes and rates of domestic savings the accompanying increases in consumption should be 8% for wage and salary earners, 4.5% for farmers, and 5% for other self employed and property income recipients. (See Table 4 - C)

Per capita, the annual growth in consumption works out at 2.5-3% for wage and salary earners, 2 to 2.5% for other self employed and property income recipients, and 2% for farmers. While distinctly more equitable than those of the recent past these trends still leave a very large body of low income farmers as not only the poorest segment of the Uganda population but also the one with the lowest rates of increase in cash incomes.

Government services received are higher in relation to personal consumption for low than for high income groups; their expansion during the Plan period will increase distributional equity. However, urban populations are better served than rural resulting in a further gap between wage and farm incomes. 1966-71 expenditure programmes are designed to reduce the relative gap between urban and rural levels of public services per capita but in health and access to secondary education in particular it will remain wide. Progress toward social justice in this field is limited both by the size of the rural population and the difficulties of serving scattered as opposed to concentrated bodies of people.

IV

The goal sets of Work for Progress are basically consistent with each other, appropriate to the overall development strategy stated, and inherently attainable. Planning, however, must be primarily implementation if it is to have signifigant value - formulation of relevant, feasible, and consistent goals is not an end in itself.

At least four basic conditions are necessary for plan implementation: a real commitment to the plan by a government with a broad base of consent and adequate powers to implement its policies in all economically signifigant parts of its territory; planning machinery with lines of communication and staff capable of guiding, assisting, and reshaping the process of development; a set of policies and projects relevant to the major overall and sectoral goals as well as being individually practicable; ability to identify and act to overcome key probles.

Initial political commitment to the Second Uganda Plan exists. In most of Uganda the same can be said of the government's basis of consent and at least in principle - administrative ang programmatic institutions. However, district and kingdom level governmental operations have been dangerously ineffective and ill coordinated (within the areas and with the centre alike). In Buganda both the base of consent and the effectiveness of government action are causes for concern.

Several provisions of the April Constitution - as well as measures taken since the May suppression of the attempted Buganda insurrection-are directed at attaining more efficient, coordinated, and inclusive governmental machinery and operation patterns, as well as ensuring that the writ of the Uganda government runs throughout Uganda. The success of these measures is vital to Plan implementation.

Uganda's planning machinery is on paper institutionally extremely well developed. In practice, its scope and effectiveness is still limited by personnel and data availability problems and by established bureaucratic procedures and attitudes. The Ministry of Economic Development and Planning has substantial power over determing public development spending during implementation as well as during formulation, direct access to the Cabinet and the President and potentially a fairly well built network of personal and institutional channels to important decision makers in other, government units, para-statal agencies, and a number of key private firms or groups. These channels are at least as important for implementation as for formulation. They alone can provide a detailed, up to date picture of economic developments, indicate what policy and programme actions are most likely to result in desired public and private sector resource use decisions, and build up a broad base of economic decision maker commitment to Plan fulfillment.

Several gaps exist today in this network of control, influence, and information-gaps at least partly related to the uneven quality of certain Plan sections. District and kingdom level government has not been involved in formulation and is not yet seen as deeply involved in implementation of the national Plan as opposed to very loosely coordinated and quantitatively marginal district plans. Para-statal bodies do not provide adequate information-especially in the form of annual forecasts of output, employment, purchases, investment, and profits- and their policies do not always appear effectively coordinated with overall national development goals. Public understanding and involvement in economic development planning has been decidedly sketchy. The extensive radio and press publicity recived by the Plan (albeit rather unfortunately overshadowed by political developments) represents a start in this last regard. Some form of district development committee with both official and unofficial members linked to development officers servicing and advising on district level efforts to implementat. and supplement the national Plan is needed both to ensure public understanding and involvement and to create an active spread of implementation effort out from Entebbe-Kampala to the district and gombolola levels.

Within Work for Progress both the relevance of most individual programmes and policies to the main goals and the individual and joint feasibility and realism of a majority of projects are high.

These points would be more readily evident and subject to more precise discussion were more project details included in the printed volume. Their absence is a weakness which could have unfortunate consequences if it either leads the private sector to doubt the Plan's seriousness or to be uncertain as to precisely what demands and opportunities will result from public sector action. There is already some evidence of such doubts in the critical construction industry.

Agricultural programmes cover a wide front in terms of crops, geographic and functional areas, number of farmers to be affected, and variety of organizational techniques to be employed. It is noteworthy that productivity promotion tied to improved inputs and linked to loan finance and intensive extension service work should be available to about one sixth (nearly 170,000) of all Ugandan farmers during the Plan, a truly phenomenal increase over past levels. More general extension work and provision of subsidized fertilizer, insecticide, and seeds should allow at least one third of all farmers to make really substantial advances in cash output. As a trend rate, 5.1% seems a somewhat conservative goal-barring collapse of prices on the world cotton and coffee or the East African sugar, tobacco, and vegetable oil markets.

Industry and power totals are also derived in a conservative manner. Feasibility projections by classes of goods have been based on demand and production cost estimates and, in summing, leeway has been allowed for delays or cancellations. Three major projects are doubtful-nitrogenous fertilizer (because East African cannot support both the Uganda and Kenya projected plants), integrated iron and steel production (partly dependent on Eastern African Economic Community development and likely to be delayed into the 1971-76 period), and Nile Dam Number 2 (not needed until well into the 1970's if the fertilizer project is cancelled and the iron and steel postponed). However, while cancellation of the first and delay of the second two projects would reduce investment by over £20 million, it would not greatly lower either 1971 or 1981 domestic product and, in fact, might signifigantly ease the strain on domestic savings and on the balance of payments between 1966 and 1971. Small scale industry's growth, on the other hand, appears very cauticusly projected and results should exceed the target.

Investment in human capacity is centered on secondary and higher education - i.e. on expansion of middle and high level manpower. By 1971 the rate of graduation from secondary level institutions and universities will be well above new and replacement middle and high level post requirements if the ambitious expansion programme can be carried out. In health sharp expansion of hospital capacity is linked with an imaginative mass curative-preventitive - health education programme based on expanding the number of rural clinics toward one per gombolola.

Taken as a whole, the education programme seems rather too traditional in outlook. Possible roles and interrelationships of adult education, agricultural extension, radio and television, community development, community centres, and health-nutrition education are nowhere treated in a coordinated manner and, by and large, the individual items receive both inadequate attention and funds. The aim of such an approach would be to secure a rapid and major impact on the levels of education, involvement, and efficiency of the adult population outside the formal school system - an aim which would appear in accord with both the rural development and social justice goals of the Plan. Both in terms of raising rural welfare and of aiding in the development of rural productivity, nutrition deserves explicit attention. Practicable programmes - especially in regard to vegetable and animal protein products - do appear to exist and foreign aid for their investigation and financing is probably available.

Construction, commerce, private sector operating institutions (especially cooperatives), and financial bodies - policies - channels are not adequately handled. If - as seems to be the case - time and data were lacking, fuller studies aimed at creating a cleaner picture of present realities and desireable policies should be a priority for the Ministry's implementation preparation. The cooperative sector, for example, is at least suspect as to overall efficiency and managerial capacity. Increasing these would allow more rapid increases in rural real incomes and increase agricultural production incentives. It could also allow for more rapid entry of Africans into small scale manufacturing, repair shop, modern service, and commercial activity on a self-supporting basis. Here as in the other sectors cited much more adequate (or more adequately coordinated and analyzed) knowledge is a precondition for effective coordinated development policy formulation - and a fortiori for implementation. Physical infrastructure programmes require further scrutiny and evaluation not because of evident gaps but to reexamine the cases for certain major projects of doubtful priority. Transport investment at £40 million is astoundingly high (either in light of Uganda's present facilities and future needs or of projected 1966-71 increases in national product generated in the transport sector) and major segments of it of very doubtful economic value. The logic of raising two presently motorable roads to Gulu to tarmac status to compete with and duplicate capacity of the Main Tororo-Gulu Line (which will at best break even) is not evident. Equally, either major highway improvements or rail extension to Arua is needed for West Nile development but not both. The £4.5 million for airport expansion appears even less justified. Entebbe Airport can handle intercontinental jets already and its terminal facilities, while rather austere, are functional. The three outlying airports included in the Plan do not generate a signifigant quantity of business now and there is no reason to expect them to by 1971. To inaugurate Friendship service to them would only involve Uganda in unrewarding airport investment and East African Airways in operating losses. Perhaps £1 million for Entebbe upgrading is needed but not more and no case has been made for any expenditure on other airports. If, as may be the case, Kampala-Entebbe highway improvement is lumped totally or partially under airports the case for up to £2 million on Entebbe "airport" can be made.

An extensive (800 miles) and well planned feeder road provision programme is included. However, substitution of feeder roads for, say, the Soroti-Gulu tarmac road (keeping the Kampala-Gulu one) and for either the Pakwach-Arua rail extension or the highway rebuilding to Arua should prove more economically efficient. The claim that it would be politically unpopular with voters appears a trifle odd - the farmer needing a feeder road to increase his ease of reaching a selling point is unlikely to be angry if it is provided rather than a distant highway paralleling a rail line. District and parliamentary politicians may overvalue highways vs feeder roads, this is no reason to assume the rural electorate does. In the administrative and security programmes, £9 million for police and prisons looks distinctly high. Granted Uganda is underpoliced, has a high (by African standards even if not by urban North American) rate of crimes of violence, and has skimped on investment in these fields in the past. The question remains whether Uganda can really afford to devote almost a tenth of government development spending to internal security.

Six major problem areas can be identified as posing particularly serious obstacles to Uganda's development efforts: population growth, incomes' policy, government taxation and expenditure target fulfillment, maintaining a flow of projects ready for implementation and of negotiated aid and investment agreements for operation, holding import expansion to the low projected growth rate, and maintaining-expanding East and Eastern African economic community relationships. Doubts as to political awareness of the problem's importance center on the first; on several of the others awareness is already coupled with initial implemntation or correction directed action.

Population growth to 1981 is assumed to be constant at about 2.5% a year. With sharp improvement in health facilities (including health education and pure water) planned, a constant rate is plausible only if there is reason to expect a signifigant fall in the birth rate within the next decade. Even 2.5% population increase a year will reduce the possible rates of growth per capita and drastically raise the costs of making basic social services available to the entire population. In a limited number of districts it could create an acute land shortage by 1981. Work for Progress alludes to some of these issues fleetingly but nowhere tackles them-a sharp and disquieting contrast with the endorsement of and support for family planning set out in the 1966 Kenya Plan.

Incomes policy fulfillment requires a firm and restrictive attitude to all wages claims and a virtually uniform rejection of all salary claims. While the recent revisions of certain civil service salary scales (downward) is a hopeful signpost, the acceptance of the Norrington report for university faculty (providing both for sharp increases and an unsound system of determing the overall scale) is not. If an income restraint policy is to prove workable and viable some control will need to be exerted (ideally by discussion and indirect inducements) on private sector wages, salaries, prices, and profit margins. Perhaps the most explosive single issue is the necessity of reducing the cotton price to growers from .60 to .35- .40 to eliminate the present very large deficit. None of these steps will prove easy or politically popular in and of itself-the overall impact of the incomes policy in regard to steady growth in per capita consumption and distributive justice will be popular but neither speedily attained nor popularly attributed to the income restraint measures.

Government recurrent expenditure must be held to an average annual growth of 8% and recurrent revenue rise by about 10% - per plan. To cover the defense investment total the growth rate probably needs to be 11-12% and the 1970-71 surplus of domestic revenue over recurrent expenditure on the order of £9-10 million. This is an extremely demanding programme especially on the revenue side.

The 1966-67 Budget if achieved (and combined with viable cotton-coffee price revisions) provides a firm start. The Draft Estimates - including proposed new taxes of £4 million plus semi-new April impositions totalling £.5 million - show a surplus of domestic revenue over Recurrent expenditure of £5.4 million is a 1965-66 actual deficit of £1.6 million (budgeted at over £2.0 million). This would represent about £7.0 million of a total needed change in balance of £10.6 - 11.6 million (from - 1.6 to 9-10) over 1965-66/1970-71. However, the Recurrent estimates are so tight e.g. in Health and in approved post filling in general as to suggest expenditure will exceed estimates by £1-1.5 million. Revenue may also exceed but probably by less. On balance, a £4.2 - 5.0 million surplus can be attained if firm control is maintained - including ironclad public sector salary policy and an only slightly less inflexible wages policy.

The taxes imposed are - by and large - progressive in impact. However, they do not increase the buoyancy of tax revenue vis a vis monetary GDP much (it appears to be as low as .6-.7) and do add to the complexity of consumer levies. A strong case exists for a "wholesale sales tax" (collected once at factory, import, or wholesale point) of 4-6% both to increase buoyancy and progressivety (assuming domestic unprocessed food is excluded) up to £500 and a series of stiff luxury taxes (expensive clothing and household furnishings, radiograms and records, wines and spirits, electrical appliances, antomobiles, photographic equipment) of 25-75% on top of present import rates. These would also add to buoyancy and be progressive to £2,500 - 3,000 beyond which surtax can be effective.

Income tax rates are satisfactory - collection is not. Avoidance and evasion by professionals, small firms. and major companies (presumptively basically avoidance in the last case) requires both mere enforcement and auditing staff and a key handfull of first rate company tax accountants and lawyers. While costly such a program should raise net income tax receipts substantially.

What the planners thought on tax policy is unclear. The tradition of Treasury dominance was adhered to - at least so far as publication goes. This is unfortunate as an indication of broad lines of tax change over 5-15 years is an integral part of any comprehensive plan and 5-15 year forecasts do not have the drawbacks of 6-8 month leaks of Budget details.

The 1966-67 Develpment estimates are £17.4 million on a basis comperable to Work for Progress and £19.7 million including Defense. Attainment should be safely within the £12-18 million range called for in plan phasing but the £15 million "trend" target (excluding defense) may not prove attainable. Allowing a 20% shortfall £14 million (up from a comperable £10.5-11.0 million in 1965-66) seems probable. This is a perfectly workable start - something the Tanzania plan with its very odd phasing and poor pre-preparation for implementation did not have.

Project studies for the public sector are, by and large, moderately well advanced. Indeed the £90 million trend target for government development spending (£80 million investment, £10 million productivity raising non-investment programmes) was selected from a proposed project list originally approaching £150 million and trimmed to £106 million or about the present "peak" target. Negotiations on aid are well advanced with 1962-66 discussions and agreements providing a rolling start. Private sector feasibility studies and public research in support of them require more energetic prosecution, although a series of ventures initiated or under active negotiation by the UDC as well as the Mahdvan: and Mehta groups (both alone and jointly with foreign partners) suggest signifigant private and para-statal industrial and processing sector momentum.

However, the detail of preparation and the feasibility or viability study status of projects varies widely. In some sectors a number are of "projects" are titles only. However, this category probably does not exceed 5% of the total. Some sectors e.g. agriculture, water development are fairly completely programmed with at least partially evaluated and moderately detailed projects. The minimum requirement of 1.5-2 years projects ready for implementation is almost certainly met by the plan as a whole and most sectors individually.

The difficulty is now in establishing detailed pricrities and alternative phasing patterns overall and by sector, in ensuring that the evaluation and aid procurement processes keep the activateable project stockpile at 1.5-2 years and that ministerial and District - Provincial planning "teams" (however constituted and administered e.g. centering on the DC) are established and involved in implementation and revision. These operations are rendered difficult much more by lack of adequate personnel (now and in the past) than by the present status of projects and data being inherently unsound for the first six months of plan implementation. African regional economic developments can be critical for Uganda. Nitrogenous fertilizer plant "competition" with Kenya is symptomatic of broader problems. Uganda's gains from the East African Common Market center on sugar, vegetable oil, tobacco, and textile exports. All face rather uncertain futures in the light of Kenyan and Tanzanian plans. Expansion of gains depends on securing at least some signifigant East or Eastern Africa market directed industries e.g. iron and steel. The Plan strategy should put Uganda in a position to benefit from broader and more planned economic community in East and or Eastern Africa.

The attainment of such communities depends both on the contents of the Philip Commission's Report and their acceptability to the Heads of State and on the speed with which the Economic Community of Eastern Africa (Zambia through the Sudan) becomes operational. On both fronts present indications are moderately hopeful, but substantial political and technical effort will be needed to realize the 6% annual growth of exports to Kenya and Tanzania and the creation of signifigant new or expanded trade links with the Sudan, the Congo, Ethiopia, and Zambia are to be achieved as posited in the Plan.

Work for Progress lives up to its title. It is a signifigant step toward speeding and broadening the development process in Uganda. The Uganda government and its planners have accepted the twin realities that political economy (including development planning) is the art of attempting the difficult but possible and that one of the present possibilities is allocating resources to expand the range and rate of development possible in 1971. The machinery provided for implementation and the built in leeway for contingencies give Uganda's Second Five Year Plan a very real possibility of substantial fulfillment. The greatest danger is that the high costs and maddeningly slow early progress of development from a low initial base (both underlined in Work for Progress) may erode the necessary base of political commitment and popular support. The active prosecution of implementation early in the Plan period leading to tangible evidence that development planning can work is the best guarantee against such erosion, indeed ultimately it is the only one.

EDRP 103

R. H. GREEN

TABULAR APPENDIX:

1. REAL GROWTH OF GROSS DOMESTIC PRODUCT

2. GROSS DOMESTIC PRODUCT BY SECTOR

3. INVESTMENT PROJECTIONS 1966 - 1971

4. GROSS DOMESTIC PRODUCT ALLOCATION

5. RESOURCE MOBILIZATION/INVESTMENT SOURCE AND USE

6. BALANCE OF PAYMENTS PROJECTIONS

7. EMPLOYMENT/LABOUR FORCE/MANPOWER

These tables are computed from Work for Progress, Background to the Budget 1966-67, The Real Growth of the Economy Of Uganda 1954-1962. Adjustments are noted following each Table.

TABLE 1 - REAL GROWTH OF GROSS DOMESTIC PRODUCT

	ANNUAL GROWTH OF G.D.P		ANNUAL GROWTH G.D.P PER CAPITA [5]	
	Monetary	Total	Monetary	Total
1954-1962 (1960 Prices)[2]	1.4%	1.9%	-1.1%	-.6%
1962-1965 (1960 Prices)[2]	9.1%	7.2%	6.4%	4.5%
1966-1971 Plan Target (1964 Prices)[3,4]	7.2%	6.3%	4.4%	3.5%
1971-1981 Perspective Goal (1964 Prices)[3,4]	7.9%	7.1%	5.1%	4.3%
1966-1981[4] Plan/Perspective	7.7%	3.2%	4.9%	4.1%

NOTES: 1) Real G.D.P. is defined as the total of domestic product for domestic use deflated to base year prices and exported product at current prices. The "real" export component of G.D.P. is the foreign exchange earnings not the physical volume. Work For Progress 1966-1981 data are on this basis, earlier years have been (somewhat roughly) corrected.

2) The method of deflation used in Real Growth and Background To Budget is not satisfactory. Manufacturing, Construction, Services in general, and Government are deflated by input not output prices with totally inadequate corrections for productivity changes. Especially after 1960, this understates the real growth e.g. the 1966 deflator for Miscellaneous Manufacturing (base 1960) is 1.54 implying a much higher rate of price increase than has, in fact, occurred. The total overdeflation may be of the order of £5-7 million over 1962-1965. This would raise the growth rates to about 10.2% - 8.2% - 7.4% -5.5% respectively. The 1954-1962 affect would be lower, possibly on the order of .5%, for annual monetary G.D.P. growth - thus not altering the negative per capita sign.

3) The price change assumptions are 0 for domestic production for domestic use and for imports and - 2% per annum for exports (at least for 1966-1971 in this case). Consistency - especially in the Balance of Payments Table - is dependent either on these specific rates or parallel changes e.g. a + 1%, + 1%, - 1% pattern would not tend to produce distortions but + 2%, 1 1%, - 2% would.

4) The 1966-1981 growth of Non-Monetary (Self consumed) G.D.P. is 3.2% based on assumptions of higher per capita food consumption in re meat and fish.

5) Population increase is calculated at 2.5% annually 1954-1966. This rate is assumed to hold through 1981 in Work For Progress, partly on the basis that the past increase has been 2.2% natural and 0.3% immigration and the future will be 2.4 - 2.5% natural and 0.0 - 0.1% immigration.

TABLE 2. G.D.P. BY SECTOR 1966-1971-1981 ESTIMATES

A. STRUCTURE (%)

	1966	1971	1981
Agriculture/Livestock	37.8	34.3	27.2
Forestry/Fishing/Hunting	1.6	1.5	1.3
Mining and Quarrying	2.8	2.8	2.5
Manufacturing	11.9	13.6	18.0
(Agricultural Processing)	(4.2)	(3.9)	(3.2)
(Food Manufacturing)	(2.0)	(2.4)	(3.2)
(Miscellaneous Manufacturing)	(5.7)	(7.3)	(11.6)
Electricity	1.9	2.1	2.6
Construction	2.8	3.4	4.3
Commerce	19.7	19.5	19.5
Transport/Communication	3.5	3.7	4.0
Government Administration	3.3	3.4	3.6
Local Government	1.5	1.5	1.4
Miscellaneous Services[1]	10.3	11.4	12.7
Rents	2.8	2.9	2.9
Total Monetary G.D.P	100	100	100
Monetary G.D.P.	75.8	79.1	85.6
Non-Monetary G.D.P.	24.2	20.9	14.4
Total G.D.P.	100	100	100
Total Goods (Monetary)[2]	56.9	55.6	53.3
Total Services (Monetary)	43.1	44.4	46.7

NOTES: 1. Includes 40-50% public services especially health-education.

2. Agriculture/Livestock, Forestry/Fishing/Hunting, Mining and Quarrying, Manufacturing, Construction.

B. STRUCTURE (£000,000)

	1966	1971	1981
Agriculture/Livestock	74.7	95.9	163.2
Forestry/Fishing/Hunting	3.2	4.3	7.8
Mining/Quarrying	5.6	7.7	12.5
Manufacturing	23.6	38.1	108.0
(Agricultural Processing)	(8.3)	(10.9)	(19.2)
(Food Manufacturing)	(4.0)	(6.7)	(19.2)
(Miscellaneous Manufacturing	(11.3)	(20.5)	(69.6)
Electricity	3.7	5.9	15.6
Construction	5.5	9.4	25.8
Commerce	39.0	54.6	117.0
Transport/Communication	6.9	10.3	24.0
Government Administration	6.5	9.6	21.6
Local Government	3.0	4.2	8.4
Miscellaneous Services	20.4	31.8	76.2
Rents	5.6	8.0	17.4
Monetary G.D.P.	197.7	279.7	600.0
Non-Monetary G.D.P.	63.1	73.8	101.0
Total G.D.P.	260.8	353.5	701.0
Monetary Per Capita	£25.7	£31.8	£52.6
Total Per Capita	£33.9	£40.2	£61.4
Total Goods (Monetary)	111.6	155.4	317.3
Total Services (Monetary	86.1	124.3	282.7

C. STRUCTURE (ANNUAL GROWTH RATES - %)

	1966-1971	1971-1981[1]
Agriculture/Livestock	5.1	5.4
Forestry/Fishing/Hunting	6.0	6.1
Mining/Quarrying	6.6	5.0
Manufacturing	10.1	11.0
(Agricultural Processing)	5.6	5.8
(Food Manufacturing)	10.8	11.1
(Miscellaneous Manufacturing)	12.6	13.0
Electricity	9.8	10.2
Construction	11.3	10.7
Commerce	7.0	7.9
Transport/Communication	8.5	8.8
Government and Administration	8.2	8.4
Local Government	7.0	7.2
Miscellaneous Services	9.3	9.1
Rents	7.4	8.1
Monetary G.D.P	7.2	7.9
Non-Monetary G.D.P.	3.2	3.2
Total G.D.P.	6.3	7.1
Total Goods (Monetary)	6.8	7.7
Total Services (Monetary)	7.6	8.5

NOTES: 1. Computed from 1981 G.D.P. Structure.
No case for the differences is presented in published plan. Transport and Communication and Commerce seem to rise arationally and Miscellaneous Services to decline with equal lack of evident logic.

D. RECONCILIATION WORK FOR PROGRESS AND BACKGROUND TO THE BUDGET 1966-67 ESTIMATES FOR 1966 GDP

BACKGROUND PLAN

	(1966 Prices)	(£000,000) (1964 Prices)	
Agriculture/Live-stock [1]	56.1	74.7	+ 18.6
Forestry/Fishing/Hunting [2]	2.5	3.2	+ 0.7
Mining/Quarrying [3]	7.3	5.6	- 1.7
Manufacturing [4]	17.5	23.6	+ 6.1
(Agricultural Processing) [5]	(5.4)	(8.3)	(+ 2.9)
(Food Manufacturing)	(2.1)	(4.0)	(+ 1.9)
(Miscellaneous Manufac-turing)	(10.0)	(11.3)	(+ 1.3)
Electricity	3.7	3.7	-
Construction [6]	4.9	5.5	+ 0.6
Commerce [7]	23.2	39.0	+ 15.8
Transport/Communication	6.6	6.9	+ 0.3
Government Administration [8]	6.9	6.5	- 0.4
Local Government	2.9	3.0	+ 0.1
Miscellaneous Services [9]	18.7	20.4	+ 1.7
Rents [10]	4.5	5.6	+ 1.1
Monetary GDP	154.9	197.7	+ 42.8
Non-Monetary GDP [11]	75.2	63.1	- 12.1
Total GDP	230.1	260.8	+ 30.7

NOTES:
1) Milk £16.8 million added to monetary. Largely cancelling domestic and export crops 1964-1966 price changes.
2) Revised Fish estimates.
3) Change in copper price 1964-1966. (Rise)
4) Revised estimates based on census of Manufactures.
5) Change in prices 1964-1966 (Fall)
6) Partially revised estimates from Census of Construction.
7) Revised estimates . Margins computed on various types of goods.
8) Wage/salary changes 1964-1966. (Rise)
9) Revised estimates private sector partly offset by 1964-66 wage/salary changes in public.

10) Changed estimates of volume of rental housing.

11) "Price" changes 1964-1966. Rise - afternonth 1965 drought. Also shift of certain items (including milk) to monetary sector.

TABLE 3 - INVESTMENT PROJECTIONS 1966 - 1971

A. PER PLAN - FIXED ONLY

SECTOR	INVESTMENT (£000,000)	%	INCREASE IN VALUE ADDED (£000,000)	GROSS C/O
AGRICULTURE/LIVESTOCK	21.0	9.1	21.2	1.0
FORESTRY/FISHING/HUNTING	1.0	.4	1.1	.9
MINING/QUARRYING	3.0	1.3	2.1	1.4
MANUFACTURING	45.0	19.5	14.5	3.1
AGRICULTURAL PROCESSING	(8.0)	(3.5)	(2.6)	(3.1)
FOOD MANUFACTURING	(6.0)	(2.6)	(2.7)	(2.2)
MISCELLANEOUS MANUFACTURING	(31.0)	(13.4)	(9.2)	(3.4)
ELECTRICITY	23.0	10.0	2.2	10.4
CONSTRUCTION	8.0	3.5	3.9	2.1
COMMERCE [1]	14.0	6.1	15.6	.9
TRANSPORT/COMMUNICATION	40.0	17.4	3.4	11.8
GOVERNMENT/SERVICES	50.0	21.7	15.7	3.2
RENT[2]	25.0	10.9	2.4	10.4
TOTAL	230	100	82	2.8
TOTAL EXCLUDING FIRST TWO SECTORS	208	90.5	59.7	3.5
RATE OF GROWTH OF FIXED INVESTMENT[3]				11.0%
RATIO ADDED FIXED INVESTMENT/ADDED MONETARY G.D.P.				30%

NOTES: 1. Special Formula applied to passenger cars treating somewhat less than half as investment.

2. Basically construction of rental housing. Excludes owner self built and occupied and probably grossly underestimates owner built with hired labour or small contractor. In this it is consistent with past investment data. Excludes government supplied housing listed in preceeding category.

3. This was originally postulated from a 1966 target of £35 million equal to 1965 preliminary estimate. The new 1965 estimate is £32.3 million. The 1965-1966 target becomes 8.4% not 0%. Possibly more critical, about £2 million in government investment scheduled but not carried out in 1965 is carried forward.

B. ADJUSTMENTS

	INVESTMENT	%	INCREASE IN VALUE ADDED	GROSS C/O
AGRICULTURE/LIVESTOCK[1]	50.0	17.9	21.2	2.4
FORESTRY/FISHING/ HUNTING[2]	1.8	.6	1.1	1.6
RENT [3]	30.0	10.7	(3.0)	10.0
INVENTORIES[4]	16.4	5.9	-	-
REVISED TOTAL	281.2	100.0	82.6	3.4

NOTES: 1. Addition of £29 million. Agriculture - Small Farmer investment in working capital, implements, annual crop improvements £10 million (say 250,000 at £25, 750,000 at £5); Tree Crop direct labour - Coffee £7 - 8 million, Tea £ 2.5 - 3.0 million, other £.5 - 1.0 million. Livestock - additional cattle £4-5 million, Upgrading and other dairy oriented improvements £2 - 3 million, other stock (including poultry and bees) £.5 - 1 million. Working capital and livestock are estimates of stock increase i.e. net investment. Of this £29 million perhaps £5 million represents cash payments and £24 million either direct labour invested in monetary sector production or "natural increase".

2. Addition £.8 million. Assumes 1.4 C/O Fishing and 1.3 Forestry as minimum plausible. Probably £.4 - .6 direct labour investment.

3. Apparent 1965 residential construction (non-government) £5.5 - 6.0 million. 1966 - 1971 trend £5.5 - 7.0 yields £30 million. C/O held at 10.0 yielding G.D.P. alteration.

4. 20% of increase in G.D.P. (Monetary).

TABLE 4. G.D.P. ALLOCATION 1966-1971

A. PER PLAN

Monetary G.D.P.	1966 £000,000 197.7	% 100	1971 £000,000 279.7	% 100
Foreign Investment Income (Net)	5.1	2.6	8.1	2.9
Private Transfers Abroad (Net)	1.8	.9	.8	.3
National Savings[1]	23.7	12.0	43.0	15.4
Government Recurrent[2]	43.0	21.8	63.0	22.5
Private Monetary Consumption	124.4	62.7	164.8	58.9
Private Non-Monetary Consumption	63.1	-	73.8	-
Total Private Consumption	187.5	-	238.6	-
Private Monetary Consumption per Capita	£16.1	-	£18.7	-
Total Private Consumption per Capita	£24.3	-	£27.1	-
Total Consumption Per Capita	£29.9	-	£34.3	-

Annual Growth Rates 1966-1971:

Private Monetary Consumption	5.8%
Private Monetary Consumption Per Capita	3.1%
Private Non-Monetary Consumption	3.2%
Private Non-Monetary Consumption per Capita	0.6%
Total Private Consumption	5.0%
Total Consumption	2.4%
Total Consumption	5.3%
Total Consumption per Capita	2.8%
National Savings	12.7%
Added Savings/Added Monetary GDP	23.5%
Base Savings/Base Monetary GDP	12%

NOTES:

1. These are national savings. Retained Foreign earnings are included in Foreign Investment Income (Net) and Foreign Private Capital Inflow.

2. This assumes non-fixed investment Development expenditure is treated as investment not consumption.

B. ADJUSTED

	1966 £000,000	%	1971 £000,000	%
Monetary GDP Per Plan	197.7	-	279.7	-
+ Direct Investment	3.5	-	6.1	-
Adjusted Monetary GDP	201.2	100	285.8	-
Foreign Investment Income (Net)	5.1	2.5	8.1	2.8
Private Transfers Abroad (Net)	1.8	.9	.8	.3
National Savings Per Plan	23.7	-	43.0	-
+ Direct Investment[1]	3.5	-	6.1	-
+ Added Monetary Investment[2]	.5	-	2.6	-
+ Inventories[3]	2.4	-	4.1	-
Adjusted Domestic Savings	30.1	14.9	55.8	19.6
Government Recurrent	43.0	21.3	63.0	22.0
Private Monetary Consumption	121.5	60.4	158.1	55.3
Private Non-Monetary Consumption	63.1	-	73.8	-
Total Private Consumption	184.6	-	231.9	-
Private Monetary Consumption per Capita	£15.8	-	£18.0	-
Total Private Consumption per Capita	£24.1	-	£26.4	-
Total Consumption Per Capita	£29.6	-	£33.6	-

Annual Growth Rates 1966-1971

Private Monetary Consumption	5.4%
Private Monetary Consumption per Capita	2.8%
Private Non-Monetary Consumption	3.2%
Private Non-Monetary Consumption per capita	0.6%
Total Private Consumption	4.7%
Total Private Consumption	2.1%
Total Consumption	5.1%
Total Consumption per Capita	2.6%
National Savings	13.1%
Added Savings/Added Monetary GDP	30.4%
Base Savings/Base Monetary GDP	15.0%

NOTES:

1. See Table 3. 25% of direct Labour/Natural Increase Investment assumed to be in 1971.

2. 25% of Added Monetary Fixed I assumed in 1971. Represents either added savings (reduced consumption) as posited here or larger international balance gap.

3. As per note 2. Inventories are semi-explicitly lumped with consumption in Work For Progress.

C. MONETARY INCOME PROJECTIONS[1] (PER PLAN)

(£000,000)

	1966	1971	Annual Growth Rate 1966-1971
Wages - Salaries	55	83	8.7%
African Agricultural Operating Surpluses	72	96	5.0%
Other Operating Surpluses and Self Employed	65	93	7.2%
Rents	5.5	8	7.4%
Total	197.0	280	7.2%

NOTES:

Apart from the Rents line the only Plan figure is the 8.7% Wages - Salaries growth. The 1966 magnitudes are estimated from Background To Budget 1966-67 ajusted by Plan GDP data. The African Agricultural Operating Surplus growth rate is assumed to be marginally less than that of Agriculture-Livestock - Processing because of increasing Corporate-Plantation share. Other Operating surpluses and Self Employed is a residual.

TABLE 5. RESOURCE MOBILIZATION/INVESTMENT SOURCE AND USE

A. INVESTMENT FINANCE - PER PLAN (£000,000)

	1966	1971
Fixed Investment	35.0	60.0
National Savings[1]	23.7	43.0
Public [2]	(-1.5)	(7.0)
Para Statal[2]	(2.3)	(3.5)
Private [2]	(22.9)	(32.5)
Reinvested Foreign Earnings[2]	2.0	3.6
Other Foreign Private (Net)	-0.2	0.2
Official Capital[2] (Net)	7.0	13.2
Reserves	4.1	-
	- 1.6(Surplus)	-

NOTES:

1. National Savings are from the plan figure of 12% rate in base year. Either this includes reinvested Foregign earnings or a leakage abroad of National savings is anticipated in 1966 or the rate is below 12% (as apposed to "little more than") or a combination of these.

2. Approximate Estimates. Public 1966 is on two fiscal years. Central Government -.7 and + 2.5, Marketing Boards -3.3 and 0. (The + 2.5 and 0 are optimistic).

B. INVESTMENT FINANCE - ADJUSTED[1] (£000,000)

	1966	1971
Fixed Investment[2]	38.0	68.7
Non-Investment Development [3]	1.5	2.0
Inventories	2.4	4.1
Defense Hardware/ Buildings [3]	3.0	1.0
Total of above	44.9	75.8
National Savings	30.1	55.8
Reinvested Foreign Earnings	2.0	3.6
Other Foreign Private (Net)	-0.2	0.2
Official Capital Net	7.0	13.2
Reserves	4.1	-
Closure Gap	1.9	3.0

NOTES:

1. See Tables 3 - B, 4 - B.
2. Assumes shortfall of £1 million in Public Sector Investment (per Plan) in 1966.
3. Not included in Plan allocation of resources either in Recurrent Consumption or Fixed Investment. The government surplus goal covers Non-Investment Recurrent but the Marginal Savings/GDP rate combined with Balance of Payments Projection does not. Defense hardware and buildings are "excluded" throught the Plan unless it changes the definition of recurrent to include them for 1971 (but not 1966).

C. FINANCING DEVELOPMENT SPENDING - PER PLAN
(£000,000)

	FOREIGN	LOCAL	TOTAL
1. Central Government	50	40	90 [4]
Taxation	(-)	(30)	(30)
Borrowing/Grants	(50) [1]	(10)	(60)
2. Parastatal	20	40	60
Surpluses [2]	(-)	(14-15)	(14-15)
3. Private	15	75	90
Reinvested Foreign Earnings [3]	(14)	(-)	(14)
Total	85	155	240

NOTES: Implicit Trends 1966 - 1971

	1966	1967	1968	1969	1970	1971
1. Public Borrowing and Grants	7.0	8.2	9.4	10.6	11.9	13.2
2. Parastatal Surpluses	2.3	2.5	2.7	2.9	3.2	3.5
3. Reinvested Foreign Earnings	2.0	2.3	2.6	2.9	3.2	3.6

4. Includes £10 million non-investment development spending.

D. FINANCING DEVELOPMENT SPENDING - ADJUSTED[1]

	Foreign	Local	"Gap"	Total
1. Central Government	50	40	-	90
Plus Defense [2]	-	-	9	9
Plus Inventories [3]	-	1	-	1
Adjusted Government	50	41	9	100
2. Parastatal	20	40	-	60
Plus Inventories	-	2.4	-	2.4
Parastatal Total	20	42.4	-	62.4
3. Private	15	75.0	-	90.0
Direct Investment	-	24.4	-	24.4
Added Monetary	-	10.4	-	10.4
Inventories	-	13.0	-	13.0
Private Total	15	122.8	-	137.8
Total [4]	85	206.2	9	300.2

NOTES:

1. See Tables 3-B, 4-B
2. Trend 1966-1971 3.0-2.0-2.0-1.5-1.5-1.0
3. These might tend to appear in Recurrent Expenditure.
4. This cannot be reconciled directly with Table 4 or 5B because of apparent inconsistency in handling of Non-Investment Development Finance. If one calculates the Gap Trend 1966-1971 per V B (Reserves use plus closure gap): it is about 6.0-5.4-4.8-4.2-3.6-3.0 summing to £22.5 million over plan period. This is of order of magnitude of £10 million Non-Investment Development and £9 million Defense, hardware and buildings.

E. SECTORAL FIXED INVESTMENT BREAKDOWN - PER PLAN

(£000,000)	Government	Parastatal EACSO	Private	Total
Agriculture/Livestock	15.0	1.0	5.0	21.0
Forestry/Fishing/ Hunting	0.5	-	0.5	1.0
Mining and Quarrying	-	-	3.0	3.0
Manufacturing	3.5	18.0	23.5	45.0
(Agricultural Processing)	(2.0)	(2.0)	(4.0)	(8.0)
(Food Manufacturing)	(-)	(2.0)	(4.0)	(6.0)
(Miscellaneous Manufacturing)	(1.5)	(14.0)	(15.5)	(31.0)
Electricity	-	23.0	-	23.0
Construction	-	2.0	6.0	8.0
Commerce	-	1.0	13.0	14.0
Transport/Communication	16.0	10.0	14.0	40.0
Government/Services	44.0	1.0	5.0	50.0
Rents	1.0	4.0	21.0	25.0
Total	80.0	60.0	90.0	230.0

NOTES: The Parastatal - EACSO vs Private breakdown by Sector is approximate only and based on project and programme data of rather limites specificity.

F. SECTORAL INVESTMENT BREAKDOWN - ADJUSTED

(£000,000)	Government	Parastatal EACSO	Private	Total
Agriculture/Livestock	15.0	1.0	34.0	50.0
Forestry/Fishing/ Hunting	.5	-	1.3	1.8
Mining and Quarrying	-	-	3.0	3.0
Manufacturing	3.5	17.0	23.5	45.0
(Agricultural Processing)	(2.0)	(2.0)	(4.0)	(8.0)
(Food Manufacturing)	(-)	(2.0)	(4.0)	(6.0)
(Miscellaneous Manufacturing)	(1.5)	(14.0)	(15.5)	(31.0)
Electricity	-	23.0	-	23.0
Construction	-	2.0	6.0	8.0
Commerce	-	1.0	13.0	14.0
Transport/Communication	16.0	10.0	14.0	40.0
Government Services	44.0	1.0	5.0	50.0
Rents	1.0	4.0	25.0	30.0
Inventories	1.0	2.4	13.0	16.4
	81.0	62.4	137.8	281.2

NOTES: See Tables 3-B, 5-D

TABLE 6. BALANCE OF PAYMENTS PROJECTIONS

(£000,000)

	1966	1971	% Annual Growth Rate 1966-1971
MERCHANDISE EXPORTS	72.2	89.2	4.4
Overseas	63.7	77.7	4.1
East Africa	11.1	15.0	6.2
Charges/Adjustments	- 2.6	- 3.5	6.2
MERCHANDISE IMPORTS [1]	71.7	91.8	5.1
Overseas [2]	42.5)	80.5	5.7
East Africa	18.6)		
Charges/Adjustments [3]	8.6	11.3	5.7
Coverage Adjustment	2.0	-	-
INVISIBLE EXPORTS	7.0	10.9	9.3
Transport	2.6	4.3	10.5
Travel	1.8	3.4	9.3
Investment Income	1.0	1.0	-
Government	0.7	0.9	5.2
Miscellaneous	0.9	1.3	7.0
INVISIBLE IMPORTS	16.8	23.6	7.0
Transport	3.4	4.4	5.2
Travel	3.5	4.1	3.2
Investment Income [4]	6.1	9.1	11.7
Government	1.1	1.4	4.9
Miscellaneous	2.2	3.1	7.0
Coverage Adjustment [3]	0.5	-	-
RECEIPT OF TRANSFERS	3.8	5.5	7.8
Private	1.6	1.9	3.5
Official	2.2	3.6	10.4
PAYMENT OF TRANSFERS	6.4	4.2	- 8.7
Private	3.4	2.7	- 4.7
Official	1.5	1.5	-
Coverage Adjustment [3,5]	1.5	-	-
BALANCE COVERAGE ADJUSTMENT [3]	-1.0	-	-
CURRENT ACCOUNT BALANCE	-12.9	-17.0	-5.7
CAPITAL ACCOUNT BALANCE	8.8	17.0	14.0

Private (Net)[4]	1.8	3.8	17.0
Public (Net)	7.0	13.2	13.6
BASIC BALANCE	-4.1	-	-
RESERVES (+ = reduction)[6]	4.1		

NOTES: 1. Sectoral Index Numbers (approximate)

	1966	1971
Food	100	80
Consumer Manufactures	100	100
Raw Materials	100	170
Fuel	100	150
Construction Materials	100	140
Capital Goods	100	175

2. The growth rate of East African imports consistent with a constant trade deficit is 3.9%. If these imports grow at 5.7% the Common Market trade gap would go to £9.6 million vs £7.5 million in 1966.

3. The Coverage Adjustment of £5 million (1966) has been divided: £2.0 Unrecorded Imports; £0.5 Unrecorded Invisibles; £1.5 East/Eastern African Remittances(up to 125,000 remitters including about 100,000 in at least part time wage employment).

4. Includes Reinvested Profits of Foreign Owned Firms.

5. If this represents African worker remittances, then the Private Remittance Fall (£4.9 to 2.7 million) is unrealistically high.

6. Uganda Public Sector free reserves on January 1, 1966 did not exceed £8.2 million (net of £2.0 sinking Funds and £3.2 overdraft). Adding £5 - 5.5 million net from East African Currency Board dissolution yields £13.2 - 13.7 million less £4.1 leaves £9.2 - 9.7 vs a Bank of Uganda statutory requirement of £9.0 million currency backing. Securing a working margin of , say, 5% of imports plus cover for 40% added currency (parallel to GDP) suggests needed reserves of £16 million odd in 1971. Even allowing a £2.5 million overdraft and £2.5 million IMF drawing leaves the total at £14.2 - 14.7 assuming no uncovered deficit after 1966. In fact the trend deficit series from 1966 to 1971 (the basis of the accounts is trend) is on the order: 4.1 - 3.2 - 2.4 - 1.6 - 0.8 - 0.0 totalling £12.1 million, quite apart from the questions raised in Table 5 B and D.

TABLE 7. EMPLOYMENT/ LABOUR FORCE/ MANPOWER

A. EMPLOYMENT (PER PLAN)

	(£000,000) 1966	1971	Annual Employ- ment	Growth % Output	Rates Product- ivity
Mining and Quarrying	7	8	2.7	6.6	3.7
Manufacturing	47	64	6.4	10.1	4.5[1]
Construction	30	42	7.0	11.3	4.1[1]
Transport/Communi- cation	10	13	5.4	8.5	2.9[1]
Electricity	2	2	–	9.8	9.8[1]
Commerce	23	28	4.0	7.0	2.9
Miscellaneous Service	42	52	4.4	7.5	3.0
Domestic Service	21	23	1.9	–	–
Government(Admin.)	46	56	4.0	7.8	3.6[1]
Unallocated Increase	–	2	–	–	–
Total Non-Agricul- tural	228	290	4.9	8.4	3.3[1]
Agriculture					
Employed	57	80	7.0	15.8[2]	4.5[2,1]
Out-grower	–	15	–		
Total	57	95	10.8	5.1[3]	-5.2[3]
Total Employment	285	385	6.2	7.2	0.9[3]

NOTES:

1. Extraordinarily high given skill levels and acquisition rates and projected C/O ratios.

2. Growth rate of sugar, tea, fibres, cocoa, rubber. Chief employment-outgrower crops.

3. Misleading. See Note 2. Sectors involved in employment are to grow much more rapidly.

B. LABOUR FORCE

	1966	1971	Increase
Population	7,700	8,800	1,100
Labour Force (40%)[1]	3,080	3,520	440
Male (20.5%)[1]	1,580	1,805	225
Female (19.5%)[1]	1,500	1,715	215
Employment			
Agriculture-Wage	5.7	80	23
Agriculture-Outgrower	-	15	15
Non-Agriculture	228	290	62
Total	285	385	100
Male	260	350	90
Female	25	35	10
% Employed - Total	9.3	10.9	22.7
Male	16.5	19.4	44.4
Female	1.7	2.0	4.7
Non-Agricultural			
Self Employed[1]	40	55	15
Male	35	45	10
Female	5	10	5
Agricultural			
Self Employed[2]	2,755	3,080	325
Male	1,285	1,410	125
Female	1,470	1,670	200

NOTES: 1. Estimated from Tanzania and Kenya data.

2. Includes a substantial group of at least part time unrecorded wage earners in coffee, cotton picking.

C. HIGH - MIDDLE LEVEL MANPOWER PROJECTIONS

	1966 Stock	1972 Needed	% Annual Growth	1966-71 Demand[1]	1966-71 Supply[2]
First Level	3,560	5,130	6.7%	2,620	3,425
Second Level	8,600	15,410	10.8%	12,230	13,400
Third Level	5,230	8,150	7.7%	20,340	34,300
Total	17,390	28,690	8.7%	-	-

NOTES: 1. Demand includes those going on the higher level qualification.

2. Estimated from education figures corrected for private candidates.