

Famine in Uganda: Blame alcohol policies

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Abstract: Facing food shortages for the last six years, famine is becoming a persistent problem in Uganda, but alcohol as a serious casual factor has been sidelined from the discussion. This paper will seek to examine the critical impact of an un-regulated alcohol environment in Uganda, how it impacts food production negatively, and how it increases poverty, unemployment and other crimes in the country. Finally, I will argue that an alcohol regulated policy environment would provide a panacea for development and help citizens escape famine and other ills.

“Uganda may be the next country hit with these same sort of alarming malnutrition and drought conditions” the FAO’s Sandra Aviles told a news briefing.¹ This is not so pleasing news when already high soaring food prices continued to invoke protest in the country. Press reports indicate that many families are going without food and some pockets in the north have been put on high alert levels. The UN

¹<http://www.thenational.ae/news/worldwide/africa/uganda-may-be-next-for-famine-crisis-says-un>

defines famine as when at least one in five households faces extreme food shortages, a third of people are suffering acute malnutrition and a minimum of two deaths per 10,000 can be attributed to starvation.²

In spite the fact that Uganda can boast to be the food basket in the region, it has failed to take advantage of this natural endowment to promote its growth and improve the lives of people caught up in abject poverty. Food shortages have been persistent in the East African region. Uganda has been bouncing in and out of this scenario since 2005 and has only provided a piecemeal food rations to help mitigate the situation. Every time there is a food shortage, senior government officials laments that we are still seen to be assessing the situation (IRIN, 2009).

Food shortages have been attributed to several factors including unreliable weather, high food demands in Southern Sudan, the need to attract good prices, the lack of income generating activities, people selling food for cash, and weak early warning systems (IRIN, 2009). Food aid in the form of grants has come from western countries and East Africa including Uganda itself. Recently the chief US diplomat Hillary Clinton said \$12 million of the \$17 million in new aid would go to Somalia, the worst hit in a drought that has also affected parts of Kenya, Uganda, Ethiopia and Djibouti. "What is happening in the Horn of Africa is the most severe humanitarian emergency in the world today and the worst that East Africa has seen in several decades"³.

The humanitarian news analysis recently reported that "Life in Uganda is becoming unbearable because many families are struggling every day to be able to put food on the table for their families. Today, the largest bunch of matooke [plantain, a popular local staple] costs up to 20,000 shillings [\$7.30]; I used to pay half the price in January but my income has remained the same from that time," said James Mukwaya, a father of four with a household of eight people. "We would resort to maize flour but that too has risen to 3,200 shillings [\$1.16] per kilo instead of the 1,500 shillings [\$0.54] we used to pay."⁴

Alcohol and food shortages a new appearance: Since time memorial people in Uganda have been using excess local food crops to brew alcohol. In the past, Ugandans were more cautious since they were guided by local leaders about the likelihood of food shortages in the future. Now with the current food emergency situation, the social and economic terrain has begun to change shape and the consequences of a bustling brewing industry are now resulting in food shortages. There have been concerted efforts by

² ibid

³<http://www.google.com/hostednews/afp/article/>

⁴<http://www.irinnews.org/report.aspx?reportid=93481>

South African breweries (Nile breweries) and Diego(East African Breweries)⁵ to expand their markets so they are turning to food crops as major raw material to cut costs and improve their profits. Maize and sorghum and cassava production, the major cash crops and main food staples in Uganda have been unregulated and many farmers appear to be selling these crops to meet the brewers' demands, not the public food needs. The Daily Monitor reported Mr. Jenkinson Jinja of the Nile based brewery as saying:

“Most African countries grow a lot of cassava, which makes it a readily available material like sorghum. However, the business motive behind utilizing cassava like sorghum, maize and locally grown barley is to reduce the price of beer by lowering its cost of production. “If you can brew a beer from a cheap local raw material, it would reduce the price of beer and make it more accessible to more people who cannot afford to drink clear beer.”(Daily Monitor 2009)

Another East African Breweries Managing Director for Uganda, Ivo Buratovich, agreed that their aim too is to reduce beer prices by using 99% per cent locally produced raw materials in the long term. EABL is using sorghum to produce beer at its Luzira-based factory in Kampala. If the trials, which are expected to end between the next six to 12 months, are successful, SAB Millers is expected to come up with a good and workable business module that it will expand from Ghana and Angola to other African countries. (Daily Monitor, 2009). Most of the breweries focus on their goal to encourage farmers to grow sorghum for better prices and at a larger scale, thereby providing low-end market brands of alcohol at almost half the price of some premium brands.

Poor Financial policies and Shying away from negative effect of alcohol:

Ugandan Finance Minister Syda Bbumba's 2009/10 budget speech encouraged the use of cassava as a raw material so as to lower cost of beer prices and consequently reduce the tax on locally grown materials from 60 per cent to 40 percent. This tax break is one of the biggest tactics the breweries have used to keep the general population and key government people blinded about the devastating effects of alcohol on the country. The breweries have seen their profits soar into the double digits, whereas the majority of Ugandan consumers and farmers have been left starving. In the six months leading up to December,2010, New Vision Newspaper⁶ reported that East African Breweries(EABL) posted a 22% growth in pretax profit (165 bn shillings) and that the Great Lakes region is becoming an important market for the group, with sales growing by 221%. In 2011, New vision reported that “EAST African Breweries (EABL) net sales grew by 16%, while profits were up by 10% above the prior year, the regional brewer said in its half-year results released over the weekend.

⁵www.uce.co.ug/ris/index.php?option=com...

⁶<http://www.newvision.co.ug/D/8/13/614782>

Turnover grew by 16% to sh1.26 trillion over last year's turnover of sh1.084 trillion. Profit after tax was sh252b, representing a 2% growth over prior year. The breweries argued that "producing cheaper clear beer would convert people from indigenous alcohol like *tonto*, a local brew made out of bananas, as well as local gins like *kasese* and *waragi*, which can be dangerous and even deadly to people when abused. They further argued that producing cheaper clear beer would boost cassava acreage in the country and make it a more valuable cash crop for farmers. Both the Nile and East African Breweries employ over 15,000 farmers of UNFFE's 200,000 farmers (Monitor 2009). This makes matters worse the proliferation of production of local gins makes matters worse and people kept drinking more of their times observed a senior staff of youth NGO working on alcohol and substance abuse in Uganda. If these benefits are so real, why are these areas so persistently plagued with famine? Why aren't real incomes trickling into their households? These very regions in Eastern Uganda have also recorded one of the highest levels of alcohol consumption. Central, East and Western regions are also beginning to face the blunt of early and excessive drinking of alcohol. Making beer cheaper is resulting in exploitation and increased burdens on food security, young people are resorting to drinking instead of becoming productive members of the labor force.

Indeed, turning to major food crops to make beer has started to interfere with food security in Uganda. Household heads are selling all their food to get money and end up using it to buy premier cheap beer and other local gins. Because husbands (and wives) are spending more time drinking alcohol, consumption is seriously affecting their contribution in terms of digging and planning for food production. Most of their productive time is spent drinking and then nursing hangovers. Alcohol consumption has been made so cheap and easy by way of small sachet packages (which fit into a shirt pocket). Imbibing excess ethanol (up to 40 percent ethanol), many young people now are found drunk in villages and small trading centers in the wee hours of the morning. Bars and places start selling alcohol as early as 8am, yet this early morning time could be translated into food production time. Generally food production has gone down since most of it has been left to women; more young people are caught stealing food because did not take advantage of the rains when they came to plant food for themselves. During the food crisis in Teso and northern Uganda region in 2009, regional MPs were bitter and accused a government minister by saying "How do you brand us as drunkards when the crops have dried in the gardens? We are disappointed with you and we demand an apology from you and the state minister for agriculture."⁷

The burden imposed by excess production and sales of alcohol, accompanied by unethical selling methods by the corporate alcohol industry, including unregulated and misleading advertisements, discounting alcohol prices to minors of high alcohol content, hosting free alcohol promotions and

⁷<http://www.newvision.co.ug/D/8/12/687291>

disregarding the law is beginning to stretch government resources. To be sure, Uganda is one of the top countries with high road accident density (KBS, Kampala (2010)). Policing roads against drunken driving is quite a huge problem for the drivers, the accident victims and their families. Increase of high sexual risk behavior HIV/ AIDS among the young people and Uganda AIDS commission highlighted this population as very vulnerable and use of alcohol plays a very significant role. Alcohol is number one in domestic violence and again is also mentioned as number one cause of Poverty in the country.

I would argue that regulation of alcohol in Uganda will come with a lot of dividends for the economy in terms of increased food production and unplanned diversion of food crops for alcohol production. We can argue that the benefits will supersede the supposedly earned alcohol revenue, which is eaten away in terms of substance abuse treatment, law enforcement cost and mental health and crime related problems. The time has come for the Ugandan government to increase taxation on Alcohol as one way to discourage drinking and make it a little bit difficult to buy. Need to regulate the sales time and places, eliminate small packaging of alcohol products, and regulate density distribution beer selling shops (liquor stores) and places. An alcohol regulated policy environment would provide a panacea for development and help Ugandan citizens escape famine as well as other numerous other ills.