

Fake capitalism? The dynamics of neoliberal moral restructuring and pseudo-development: the case of Uganda¹

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Uganda is regarded as the African country that has adopted the neoliberal reform package most extensively. Notably, neoliberal reforms have targeted the reshaping not only of the economy but also of the society and culture. The reforms aim to create a 'market society', which includes a corresponding set of moral norms and behaviour. Reforms, therefore, have to undermine, overwrite and displace pre-existing non-neoliberal norms, values, orientations and practices among the population; they also have to foster norms, values, orientations and practices that are in line with neoliberal ideology. This article looks at the process of neoliberal moral restructuring in Uganda since 1986. Extensive interviews in Kampala and eastern Uganda reveal that the cultural dimension of rapid neoliberal reform has negatively affected the relationships and trade practices between smallholder farmers and traders in rural markets. Since the onset of liberal economic reforms, face-to-face rural trade practices have been characterised by higher levels of 'malpractice' and a change in their form. Neoliberal Uganda is furthermore characterised by a spread of destructive norms and practices in other economic sectors and sections of society that have been 'modernised' according to neoliberal prescriptions. Many respondents invoked ideas such as 'moral degeneration', 'moral decay', a 'rotten society' and '*kiwaani*' (the title of a popular song, used interchangeably with *deceit*, *tricking*, or *fake* to describe behaviours and objects) and were worried about the future of moral norms and business practices in the country. The changes and trends described in this paper seem difficult but not impossible to reverse.

Keywords: neoliberalism; moral economy; Uganda

Introducing the study of neoliberal moral restructuring

Neoliberal reform: forcing a market society into being

Uganda is regarded as the African country that has adopted the neoliberal reform package most extensively (Harrison 2006, p. 110). It is considered the star performer of liberal economic reforms and the poster example that other African (and other developing) countries on the verge of starting reforms should copy in almost every aspect (Kuteesa *et al.* 2009). The country's 'apparent success [in the 1990s] allowed donors to claim Uganda as the jewel in their crown, an emblematic case for neoliberal reform' (Golooba-Mutebi and Hickey 2009, p. 8).

Neoliberalism was imposed on the country, as elsewhere in sub-Saharan Africa, by external actors in the process and aftermath of structural adjustment policies after the 1980s. It has since been pervasive, chiefly due to the powerful ideological, normative

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and material impact of the foreign agents of the ‘development industry’, especially the international financial institutions (IFIs) and the various bilateral donors, which promoted neoliberalism in the country (Harrison 2005c, 2006); but also due to the (evolving) interests, orientations and actions of a range of domestic actors.

Neoliberal reforms in Uganda have targeted the reshaping not only of the economy but also of the society and culture. The reforms aim at the emergence and consolidation of ‘market society’ (Harrison 2005b, 2005c, 2010): free-market, capitalist social relations, respective subjectivities and the hegemony of capital (*ibid.*). This includes a corresponding set of moral norms of behaving and relating to each other: namely, dimensions of a more or less crass or blatant² *homo oeconomicus* including cost–benefit calculus, self-interest and individualism (with a focus on individual gain and material success), disposition and behaviour to maximise utility, instrumental rationality, egoism, low other-regard and empathy, opportunism and cunning, priority given to money, an emphasis on transaction-based relations and disregard for the common good (Gill 1995, Young 1996, Carrier 1997, Rose 1999, Williams 1999, Slater and Tonkiss 2001, Beckert 2005, 2007a, 2007b, Clarke 2005, Harrison 2005b, Watson 2005, Ferguson 2006, Giroux 2008, Streeck 2009).

Reforms, therefore, have to undermine, delegitimise, overwrite and displace pre-existing non-neoliberal norms, values, orientations and practices³ (hereafter, NVOPs). At the same time they have to promote, legitimise and elevate pre-existing and ‘new’ NVOPs which are in line with the neoliberal ideological ‘end point’ (Harrison 2005b): market society. To study ‘neoliberal moral restructuring’ is to take seriously the point that neoliberalism is, in important ways, a *cultural programme* (e.g. in the sense of restructuring NVOPs). This idea is implicit (and sometimes explicit) in many of the critical writings on neoliberalism; yet, *how* this process works, what is *political* about it and how it can be studied are rarely followed through empirically.

The cultural political economy of moral reform

Conceptualising moral restructuring

Moral norms refer to ‘standards of interaction concerning others’ welfare’ (Keller, 2006, p. 169). They are also referred to as norms that constrain or regulate the exercise of self-interest/selfishness and encourage pro-social or pro-group behaviour (Sripada and Stich 2006, Haidt 2007), including social or inter-personal obligations (reciprocity etc.) (Keller 2006, Streeck 2009). Restructuring moral norms can be defined as changing what is regarded as acceptable and unacceptable, proper and improper, legitimate and illegitimate, or praiseworthy and blameworthy behaviour⁴ in the light of the moral principles (e.g. justice, care, solidarity, fairness, decency, reciprocity, authenticity, reliability) in a given country and/or its regions (Thompson 1971, Scott 1979, 1980, Carrier 1997, 2005, Keller 2006, pp. 169–74, Sayer 2007). Re-engineering morals also entails changing the criteria by which people evaluate their own and each other’s actions⁵, and reordering the power structures and relations – or the relative power of actors and social groups in a particular social space (Whyte 2010). Furthermore, as Monika Keller (2006) explains,

[h]umans can be characterized by a disposition to act, to believe and to feel in ways that are guided by norms and correspondingly by a disposition to experience certain *feelings* when norms are violated. Norms are fundamental to social life and the capacity to accept norms is a universal human biological and social adaptation. Norms serve the function of *coordinating* actions, beliefs, and feelings ... Norms provide socially constituted *reasons for actions*. (Keller, 2006, p. 169, emphasis added)

From the above, it follows that a reform that promotes a different moral order necessarily has to advance or generate particular (and at times new) *justifications for action*. And further, the reform necessarily has to attack the *emotional system* that is interwoven with the part of the old moral order that is targeted for dismantling and, again, promote a different web of emotions that corresponds with the particulars of the new order. These emotions include, in the case of *norm transgression*, feelings related to internal sanctions such as guilt, shame and embarrassment, and fear of external sanctions (e.g. punishment from others, such as community disapproval) and, in the case of *norm compliance*, positive or rewarding emotions (*ibid.*, pp. 169–174, Sripada and Stich 2006). Note that '[m]oral awareness of ... [norm] violations requires *acts of compensation*, such as justifications or excuses in order to rebalance the relationship' (Keller 2006, p. 173, emphasis added). The literature further suggests that significant norm violations elicit punitive emotions like anger and outrage as well as punitive actions such as criticism, condemnation, avoidance, exclusion, or physical harm (Sripada and Stich 2006, p. 287).

In addition, following Rest *et al.* (1999) one can see moral action 'as generated by the interaction of four components: *moral sensitivity* (interpreting situations in terms of the consequences that one's own actions have on others); *moral judgement* (i.e. understanding what action is right in a given situation); *moral motivation* (the willingness to give priority to moral concerns over attractive non-moral values); and *moral character* (command over the self-regulatory abilities necessary to actually execute one's decisions ...)' (Nunner-Winkler 2007, p. 400, emphasis added). Hence, neoliberal moral reform is likely to be effected as a result of changing *all four* dimensions of moral action. Reforms will not only alter people's sense of the moral dimensions of their actions but also lower people's motivation, character strength and, generally, their ability or capacity to uphold the codes that govern(ed) the 'old' moral order.

The notion of a moral economy

All economies are *moral economies* in the sense that all economic orders, relations and practices have moral dimensions, preconditions and implications (Block 2003, Sayer 2007). Economic relations and practices 'of all kinds are influenced and structured by moral dispositions and norms ... and those norms may be compromised, overridden or reinforced by economic pressures' (Sayer 2004, p. 2). An economic organisation, for example a local economy or market in a particular locality, is in important ways shaped by people's relationships, their statuses and positions in webs of kinship and community relations and their entitlements, claims, rights, obligations and duties. Various moral (and other) principles (based for example on religion, kinship, neighbourhood, tradition, occupation) shape what is regarded as acceptable and unacceptable behaviour, entitlement, duty and so on, for the actors and groups in a particular local moral economy (Thompson 1971, 1980, Carrier 2005).

It follows that in this sense all economic actors are moral actors (Watson 2005); their identities, motives, actions and relationships have a necessary moral connotation. The study of 'moral economy' can then be seen as 'a form of enquiry that examines how ordinary economic practices and relationships embody or affect moral dispositions, evaluations, rules, values, customs and norms' (Sanghera *et al.* 2009, p. 871) and the respective *political-economic* dimension thereof. This includes, as Matthew Watson notes (2005), the study of both the *(re-)constitution* and the *action* of the individual moral being within the respective moral economy (*ibid.*). Watson points to the neoliberal *political* project of the *cultural* conditioning of individuals according to imperatives of capitalist accumulation:

the shaping of actors' cognition and behaviour (habits of thought/action) through specific socialisation (*ibid.*, pp. 160, 181–197). He notes that,

patterns of behaviour within market arenas are shaped by prevailing social institutions, which in turn reflect the dominant political orientation of society. . . . What counts as acceptable behaviour is related to political decisions about dominant social institutions in a society in which the market is embedded (*ibid.*, p. 179 ff.).

Embedding the neoliberal moral code

If the balance of political and economic power (including the dominant ideology) in a society or specific locality changes significantly, we can expect a corresponding shift in the social institutions, the patterns of orientations and behaviours and so on. Neoliberal reforms then, we presume, try to (1) reshape the prevailing moral economy, e.g. by weakening and dismantling the old institutions and (2) replace them (as far as possible) with neoliberal social institutions and world views: money availability, wealth accumulation, consumption, individual preferences, choice, self-interest.

Even in a neoliberal society, non-neoliberal NVOPs are unlikely to be wiped out entirely. They are instead likely to coexist with the dominant neoliberal NVOPs. One may also expect that at times (and rather for a limited period) neoliberal proponents advance non-neoliberal NVOPs (e.g. 'borrow from older social forms', Greenhouse 2010, p. 4), for various reasons.

Furthermore, it is reasonable to expect that the process of neoliberal moral restructuring is a highly political process that evolves in a dynamic, volatile, contentious, conflict-laden and contradictory fashion, confronting the actors involved with a range of new moral conflicts and dilemmas. As regards the actors who are the 'drivers' of change, their actions and/or the processes that they (try to) set in motion are in part intended but also unintended, conscious and unconscious (Streeck 2009).

Finally then, a core pillar of the moral code of the neoliberal doctrine is: maximise your own self-interest (utility) in every situation and you will maximise social welfare (Beckert 2005, Streeck 2007). Rationalise, calculate and maximise your business; do not (in principle) consider moral obligations, or other-than-gain imperatives. Neoliberal doctrine (mathematically and rhetorically) links self-interest, acquisitiveness and ruthlessness at the micro-economic level (orientation, motivation, decision-making) to welfare at the macro-economic and societal level (*ibid.*): 'the model of the "invisible hand" expresses the connection of public virtue to private vices and thereby disconnects market outcomes from morally motivated action' (Beckert 2005, p. 5). Further, the neoclassical market model which, among others, informs neoliberal doctrine, assumes that a stable social order of markets is enabled by the positive and negative results of the self-interested actor who realises advantage through engaging in market exchange. Actors are *only* inter-linked in markets by their *self-interest*. In short, neoliberalism explains economic coordination, order and welfare out of decentralised motives of individual utility maximisation (Harrison 2005b, Beckert 2007b, 2007c). In many ways, then, neoliberal moral restructuring is about 'freeing' actors and arenas of social interaction from established ('traditional') moral norms and connotations, making the self-interest principle the overriding or hegemonic moral code. This, according to the neoliberal promise, maximises welfare (Carrier 1997, Harrison 2005b, Beckert 2005, 2007b, 2007c, Streeck 2007, Roseberry 2007).

Operationalising the study of neoliberal moral restructuring for the case of Uganda

This article investigates how the neoliberal *set* of moral norms interacts with and reshapes the prevailing set of morals in Uganda and more specifically in rural markets and

communities. By ‘set’ I am not referring to the existence of a perfectly static, monolithic and clearly defined or explicitly agreed ‘morality’ but a fragmented and changing, yet distinct and relatively widely known collection of various norms that shape people’s daily behaviour and interactions, including in the marketplace (Olivier de Sardan 2008). Furthermore, the fact that people plan, act and justify their behaviour in the light of morals does not mean that they always adhere completely to those moral codes. Rather, creative actors apply rules and norms in innovative ways (thus modifying them), or reinterpret and/or evade them (Streeck 2009, p. 9). Thus, the morals of a society are dynamic, embedded in a historical process and keep changing over time.

Ugandan culture has been under Western influence prior to 1986; hence, we are not studying a move from a non-liberal to a liberal self and moral economy. Rather, the distinct neoliberal post-1986 dynamics have shifted what was already a ‘hybrid’ culture into a particular direction. Ugandan society has undergone capitalist restructuring before – during colonialism and in the first decades after independence – but not according to the more all-encompassing recent version of capitalist social transformation that aims to engineer and ‘liberate’ a market society (Harrison 2005b), which includes markets and individuals ‘freed’ from ‘restraining’ norms, values, ties, commitments and obligations (Roseberry 1997).

The research attempted to track, explain and interpret the changes in economic practices and their underlying moral norms by exploring people’s respective experiences, views and interpretations, including their creation of sense, meaning and subjective or culturally constructed and situational *moral truths* (Finnström 2008, p. 173). It did this by tracing the history of rural trade relationships and practices in the country. The relationships between people’s orientations, motivations, actions, justifications and explanations and the respective action context were explored (Wilk and Cliggett 2007, p. 194).

Overview of the liberal economic reforms in Uganda

In 1986, the government and President Yoweri Museveni promised to bring improvements, or ‘fundamental change’, on various fronts. One significant promise was the shift to a kind of more pro-people, broad-based, humane, accountable and moral government and state. Many people in Uganda placed their trust in the new government and based their hopes and aspirations for the future on these promises and the convincing appearance, rhetoric and practical start of the new powers in State House. Another promise was to transform the economy from a peasant economy to a modern industrial economy that would bring about a working-/middle-class based society (Rubongoya 2007).

Since the late 1980s but especially in the 1990s, the government neoliberalised the Ugandan state, economy and society extensively according to ‘market society’-oriented prescriptions – all with significant financial and technical donor assistance and related pressure. The new economic reforms included a currency reform, the liberalisation of the foreign exchange markets and the export crops sectors (coffee, cotton), the abolition of the respective marketing boards, the dismantling (directly or indirectly) of cooperatives, the transformation of ministerial responsibilities and practices including the agricultural extension service (towards ‘demand-driven’ and consultancy-type services), the laying-off of an estimated 150,000 or more public servants and a further administrative restructuring in accordance with ‘new public management’ doctrines. Further, they included new ‘business-friendly’ laws (e.g. regarding investment and profit repatriation), the privatisation of most state-owned businesses/parastatals and properties and the creation of state institutions such as the Uganda Investment Authority and the Uganda Revenue Authority,

a general deregulation across the economy and the lifting of protective buffers for (weak) economic actors (such as peasants and workers) (Hansen and Twaddle 1998, Reinikka and Collier 2001, Harrison 2005a, 2005c, Kiiza 2006, Kiiza *et al.* 2006, Okidi *et al.* 2007, Kuteesa *et al.* 2009).⁶ Finally, the reforms introduced an excessive favouring of both capital and ‘the-unregulated-market-is-best’ doctrine as the guiding principle to reshape the perceptions, orientations, judgements and practices of the remaining civil servants.

The economic reform process in Uganda was rife with uncertainty, secrecy, unpredictability, ambiguity, propaganda, tensions, shallow official communication (e.g. about the details, rationale, implications and practicalities of the reforms of the rural economy), false rhetoric or misguided state advice (e.g. *vis-à-vis* farmers’ production choices), partly failed programme implementation and acts of corruption, theft, deception and crime. This resulted in economic hardship (e.g. un- or underemployment), emotional upheaval and material losses for many people (Tangri and Mwenda 2001, 2003, 2006, Asiimwe 2002, Barkan *et al.* 2004, Harrison 2005b, 2005c, Mwenda and Tangri 2005, Kiiza 2006, Kiiza *et al.* 2006, Mwenda 2007). A particular neoliberal form of insecurity and uncertainty, both permanent and unheightened – a core characteristic of neoliberal life worldwide (Bauman 2006, Dean 2008, Wacquant 2009) – became a central contextual feature for the deliberations and actions of the Ugandan population in the 1990s and 2000s. Insecurity and uncertainty were part of everyday life in the past, especially during the years of conflict, yet the reforms did not remove many of the sources of economic and social uncertainty, but endorsed and kept many in place and unleashed new ones.

Some of the characteristics of the neoliberal rural economy in greater Bugisu

Traders, farmers and chains of malpractice

The cultural dimension of rapid neoliberal reform has negatively affected the relationships and trade practices between smallholder farmers and traders in rural markets. Since the onset of liberal economic reforms, face-to-face rural trade practices have been characterised by higher levels of ‘malpractice’ and a change in their form. A considerable section of the traders (including middlemen and brokers) who bought agricultural produce from smallholder farmers in greater Bugisu engaged in one or some of the following: deception, intimidation, theft (actual theft, non-payment for produce taken on credit or payment with counterfeit money), collusion (cartel-like pricing) and corruption (to get protection and other forms of special treatment); and there was widespread use of weighted scales to cheat farmers. Malpractice was also reported to be a problem in other geographical areas of the country’s agricultural sector and in other parts of the private sector.

In the decades before 1986 there were certainly malpractices in the rural economy, but these were kept in check to some extent by state regulations, a specific set of social values and moral norms (and related sanctions), and by the quality-control practices of the cooperatives that were a central part of commercial agriculture. Cooperatives were dismantled as part of the national neoliberal reforms. The cooperatives’ economic function was performed instead by traders, many of whom were agents for the larger (exporting) corporations that were owned by national or foreign elites.

Traders appear to have been the origin of many of the malpractices that people identified. Many farmers interviewed in greater Bugisu estimated that the majority of traders were involved in malpractice. Those traders interviewed generally acknowledged that malpractice was carried out. Both sides, with very few exceptions, considered malpractice to be a major (and growing) problem in the rural economy since the 1990s.

Partly in response to the traders' malpractice, some farmers also carried out malpractice, for example the adulteration of produce or misuse of pre-financing, though with much less frequency, scope and intensity than traders. The practices of the small traders, who at times were farmers themselves, were often also affected by poverty-related concerns. Larger companies that were supplied with produce by a group of middlemen had no substantial mechanisms in place to shape or control the behaviour of the latter. Their representatives claimed that it was impossible (or too expensive) to monitor agents effectively and limit their malpractices in a liberal market context. Some traders found themselves being tricked by some of the larger (export) companies with which they were trading. For instance, in the case of a foreign coffee-exporting company, a group of traders told us that the quality of produce supplied was often questioned so that the company did not have to pay the quality premium, or that quality measuring and pricing was done in a hidden way. According to insider information, malpractice at all levels was a common problem in the country's liberalised coffee sector. Generally, some of the malpractices emerged or mutated with an increase in product demand (the coffee boom in the mid 1990s, or southern Sudan trading boom in the late 2000s) when many people rushed into a sector in order to make a good deal. Our research thus identified cases of *chains of malpractice* in some of the researched sites.⁷

The changing political economy and the problem of farmers' diminishing bargaining power

Farmers mostly experienced a decline in their bargaining power *vis-à-vis* traders as a result of the impoverishing effects of the reforms not only in the economy, but also in the health and education sectors. A weakened public sector also contributes to this problem. The farmers, mostly now individualised actors, often had to accept the traders' malpractice – which they were regularly aware of during the transaction and even at times raised in discussion with traders – in order to get at least some cash to deal with the most immediate problems they faced.

One group of farmers reasoned that powerful politicians were backing some of the abusive middlemen that traded coffee in their village in order to get cheap inputs for the coffee company of the politician(s). Consequently, they feared challenging such middlemen to demand better practices, for example better prices, and putting an end to traders deliberately buying the coffee from the children at a low price when the parents were not at home.

In two markets studied, one in Mbale and one in a rural area, a new group of young 'brokers' had emerged in the recent past, some of them apparently formerly un- or under-employed (in very low-paying occupations), and now often aggressively positioning themselves between the farmers and the potential buyers. Brokers 'organised' deals and took a cut from sellers that in some examples was a considerable share of the price, e.g. up to about 15–30% of the price for a farmer's cow. Several farmers and buyers noted that they could not circumvent brokers because of the latter's social power, derived from intimidation and/or political-economic connections with political/administrative authorities who protected these brokers against the people's anger.

More broadly, brokers were now present in many different economic and political sectors and at various stages in the web of accumulation in the country at large and in greater Bugisu too. The taking of a cut was practised in various offices in the private and public sector as well as on the street. Importantly, it was perceived that in such public office deals among the elites, there was little thought among those involved regarding the harmful implications of their deals for a particular social group. Some of the brokers/traders in agricultural markets were (perceived to be) following what was

increasingly practised, and considered a ‘smart’ and ‘sharp’ way to earn money, in the higher-level, urban places where the educated and powerful operated. It was a ‘trickle-down of malpractice’ and of the related rationales, justifications and moral norms of what is right and wrong, proper and improper. Some traders also learnt new malpractices (and norms) in their high-risk ventures in southern Sudan (and elsewhere in the region) which are likely to have affected their practices upon return to the Bugisu region.

Generally, when farmers approached state officials to demand a change of the *status quo* in rural marketing structures and malpractice, they were often met by the officials with arguments of the following type: ‘we have liberalised the economy – the government cannot intervene in the market anymore’; ‘business is about a willing buyer and a willing seller’; ‘you have agreed with the trader, haven’t you – what do you want the government to do now?’ Some farmers expressed the view that past experiences of attempting to get redress after malpractice would restrain them from taking their case to the authorities. Fear of being called a ‘critic’ or ‘saboteur’ of government by the authorities (and their business friends) and people’s dependence on the defrauding buyers for future sales and credit played a role as well. In addition, the results of the ‘downscaling’ and ‘restructuring’ of the public services seems to have left many relevant local/district offices (for Commerce or Cooperatives) not only with a restricted mandate but also severely understaffed, underfinanced and demoralised; they were often merely skeletons of the pre-liberalisation past.

Finally, in interviews with several state officials and also with some NGO and donor representatives, there was often an organisational and/or personal attitude (and related politics) at play that did not allow the interviewee to problematise and critique the behaviour of traders. Such respondents often showed little concern about increasing the traders’ accountability for their practices and regulating traders’ behaviour better, or restructuring the whole set-up of the rural economy (e.g. back towards cooperative structures).

Living in a tough neoliberal moral economy

Overall, a lot of the farmers and small-scale traders we spoke to found themselves operating in a tough rural context with often substantial levels of fraud and corruption not only in their market dealings, but also among a range of non-state and state bodies, for example, some microfinance institutions (that ‘disappeared’ and fleeced the people of the area of billions of Ugandan shillings and allegedly had political allies), councils, courts, police officers, bureaucrats (including some of those responsible for agricultural support or regulation of standards) and politicians.

Many farmers reasoned that the malpractices were applied by the various actors in order to keep them poor and subsequently govern and exploit them with more ease. Many expressed their related frustrations and a sense of powerlessness and hopelessness, given the repeated abuses and injustices within the extremely difficult economic conditions that they experienced. The farmers were thus often very critical of the current reality of the rural economy, especially given its failure to bring about the benefits that farmers enjoyed to some extent in the era of cooperatives. In the 1960s, cooperatives instituted relative price stability and fairness, second and bonus payments, and the building up of collective wealth such as cooperatives’ assets, social programmes, collective action and identity. After years of corrupt management, the recent revival of the Mbale-based Bugisu Cooperative Union (despite significant political pressure against it) is a powerful expression of the desire of the farmers and their supporters to struggle for a different rural (moral and political) economy.

In sum, neoliberalised rural markets in the study region were not free, natural and harmonious, nor merely zones for individual calculation and utility maximisation of

autonomous actors, as mainstream economists and neoliberal proponents tend to claim. They were instead arenas of struggle, contestation, deception and differing moral views. People also attached a historical connotation to them.

The mechanics of moral restructuring and malpractice: some points

Certainly, some often better-off economic actors were motivated by the ambition to accumulate considerable wealth and to climb the social ladder into the group of the relatively rich and politically powerful in the community. However, for many of the actors that the research team talked to (e.g., peasants, village middlemen or semi-urban/urban brokers) it was often about survival; aspiring to or protecting modest living standards, and about basic family-oriented goals (sending children to school, buying medicine for a family patient, providing for the basic necessities) in tough times.

It is significant, then, that destructive norms and (mal)practices, together with dwindling public service values, have also gained ground in other key sections of Ugandan society that have been 'modernised' according to neoliberal prescriptions, for example in education, health, and public administration: similarly, this has involved corruption, the taking of percentages, theft, deception, 'air supply'⁸, wage payment problems, staff absenteeism and low morale. This meant that many actors interviewed were facing difficult choices in the context of ensuring that they had a minimum level of money to provide for the basic (and ever-pressing) issues of food, shelter, transport, education and health for their family members. Consequently, they often had to accept the malpractice (and other abuse, e.g. verbal abuse) of the respective superior in the trade hierarchy, and/or engage in malpractice too. This was one way in which malpractice and the related norms became 'normalised'.

High inflation and price instability and the increasingly institutionalised corruption (Inspectorate General of Government 2008) of the political and technocratic elite (which was rarely effectively punished by the state) were three other main channels in the malpractice normalisation process. Another dynamic was a kind of 'tit for tat' rationale (which at times seemed to entail an element of redistributive justice). Some farmers, who knew that traders used a weighted scale and carried out other tricks, reportedly engaged in 'pre-emptive' malpractice 'to keep the scales balanced'.

People were frequently fed up with and/or desperate about the various and continuous injustices and abuses (which usually implied a material loss and emotional pain) that they experienced from their trading counterparts and the various other actors with whom they interacted in the community. They were frustrated with their life situation and that of their children, their failed plans and broken dreams, the situation in the country and a feeling of having been abandoned by the state: 'we are like orphans [without state support/protection]'. There was also bitterness and despair about previous experiences of malpractice, continuing poverty, and the growing realisation that malpractice is increasingly the 'new game in town' that one has to join in order to survive or succeed. A few people reported health and emotional problems because of being on the receiving or 'dispatching' end of the experience of malpractice.

People also came under pressure to commit malpractice because of their indebtedness (due to the high interest rates and the threat of losing possessions to the banks in case of default), the unemployment trends, the pressure on land, and a range of 'accidents' in life that reduced their possessions (e.g. crime, non-payment from a business partner, failed investments), all of which increased their stress and despair.

Various interviewees (both traders and farmers) said that when they carried out malpractice they adjusted, switched off or (temporarily) dropped some of their moral beliefs and

commitments due to the severe economic difficulties they were facing, and acted in ways that they and others actually regarded as improper. Often it pained them that they had to do it. On the other hand, some traders had, it seemed, rather little emotional concern when exploiting the many opportunities for malpractice that the neoliberal moral economy offered them.

Generally, however, people were worried about the trends in business practices and morality, including the moral norms of many children and youth in their communities and the country at large. They were also worried about their economic future (and that of their children) and the politics in the country, and raised criticism of the existing realities of the state, e.g. the indifference of many officials, weak public services, significant corruption, high taxes, unfair (and often informal) market dues and other forms of resource extraction.

Given all the above, it is extremely hard for ordinary Ugandans, so the interviewees reasoned, to keep their morals and practices (and aspirations) in check, especially given the reality of poverty and the related pressures of life. In other words, in neoliberal Uganda, many of our interview partners felt that they could no longer afford to (always) practise their morals.

Some traders (eventually) rejected the spreading stress on short-term profit and the related malpractice. They built long-term-oriented relationships with farmers, based on some notion of mutual trust, honesty, fairness, commitment, and cooperation – and farmers appreciated this. These traders were often also negatively affected by the fraudulent practices that were carried out by some of their colleagues. A few traders, for various reasons (economic, social and moral), gave up or significantly reduced their malpractice and became more upright business actors. Social disapproval of malpractice by family and community members played an important role in encouraging this transformation. Reportedly, these actors lived more happy and peaceful lives, and became better fathers and even community role models (counselling the youth, or advising younger traders to abandon their malpractice too). In isolated cases, traders' committees were established to limit or eliminate undesirable behaviour and we also came across some state and non-state actors that were involved in efforts to lower the level of malpractice. Yet overall, the explicit, effective and regular regulation of malpractice in the markets seemed not to be the rule in the study region, especially in the early liberal period of the 1990s and early 2000s when malpractice was particularly high.

The macro context of the rural moral economy

The various high-level corruption and other scandals in the 1990s and especially the 2000s (Tangri and Mwenda 2003, 2001, Barkan *et al.* 2004) had a decisive impact on the country's moral fibre. They provided parts of the macro-level normative and political-economic context in which the traders and farmers and other local actors formed their motivations, negotiated the options to act and made their decisions. The realities of public sector contraction and the privatisation of state enterprises can be seen as an important first-round 'moral shockwave' that affected the country in the post-1986 period; their related dynamics and moral 'casualties' had to be absorbed by the society. It is no surprise that these trends resulted in increasing cynicism, demoralisation, demotivation and despair among ordinary observers, and that they undermined the regime's legitimacy. This 'shockwave' also led to some degree of copying of both corrupt practices *and* their underlying moral logic. These issues were frequently referred to in newspaper articles and letters; sagas were painfully debated for weeks or months, and in some cases even years in the Ugandan media.

Many people expressed the view that there was too much impunity for the corrupt ‘big shots’, and that the judiciary favoured those with money, power and the right connections. Overall, scandals seemed to open up space for heightened levels of malpractices across society and generations. We can refer to some of these dynamics as what moral psychologists call the ‘editing’ process, e.g. changing one’s moral understandings as a result of changing life experiences (Haidt and Joseph 2007).

There was also a new level of admiration and acceptance of material wealth and success, however acquired. This seemed to be fuelled by both the spreading of the new neoliberal culture and the prevailing poverty of the vast majority of the population. Over time, some sections of communities seemed to disapprove less of wrong-doing in the search for (quick) money if it resulted in material improvement of the chosen few, who were then expected to help family members and so on. The new rich would increasingly be rewarded with social approval; while those who tried to lead a modest (income-poor) life of relative honesty, rule-following and decency were marked by an increasing section of the (mainly young) population as ‘foolish’ or ‘stupid’.

The specific spirit of moneymaking (where almost anything goes in the context of ‘income generating projects’), as well as corruption in the police and judiciary, were some of the reasons why agricultural traders got away with malpractice very often and even returned at times to the same communities to continue their practices. Traders often had no known address and were not registered; hence the communities they traded with were often unable to trace cheating traders after the deal. People at times resorted to punishing the reoffending wrongdoer themselves when they got hold of them. Cases of ‘mob justice’ were regular; they had increased in recent years, both in the research region and the country more generally.

Ordinary people noticed many of these trends and changes, in part because the liberalised media reported corruption cases quite openly, and facilitated related discussions. Almost always, interviewees had one or several of these stories and sagas at their fingertips and drew related interpretations. These stories had a significant symbolic dimension, which led slowly but surely to the disillusionment of many people regarding political leadership, but also a growing feeling that for many in positions of power it is now again about everything for him- or herself; in short, about their personal rather than national development.

Concluding remarks: the significance of neoliberal moral restructuring

The article has explored the ways in which the embedding of neoliberalism changes not only the political economy but also the moral order of local markets, families, communities and the country at large. This political and societal process of moral restructuring seemed to be mainly driven by the interests, norms, practices and projects of sections of the domestic power elite, as well as foreign donors, organisations, corporations and special interest groups. The process is ongoing, nuanced, contradictory, pervasive, speedy and contested, and has led to a range of severe, complex and connected problems for many Ugandans and for society as a whole.

The changing moral and political economy in the country since 1986 has led to increasingly unconstrained moneymaking, in which those with social, economic and political power often pursued their self-interest almost without regard for the cost to others. Related to this was a focus on quick profit, with little regard for quality or for longer-term considerations. This self-interest was being rationalised, supported and justified by a new set of neoliberal norms, values, orientations and practices that increasingly governed Ugandan economy and society, bringing with them undesirable consequences which in turn further advanced the neoliberal moral restructuring process and the trend of malpractice.

Given the spread of destructive norms and malpractice in the Ugandan society and economy, many respondents, and growing public debates, invoked ideas like ‘moral degeneration’, ‘moral decay’, ‘moral decadence’, a ‘rotten society’, and ‘fake’ or ‘*kiwaani*’ (the title of a popular song by the singer Bobi Wine, that caught the public imagination and is now in everyday use as a word). The frequent reference to fake or *kiwaani* (‘not real’) points to the significant role of fake and deceitful behaviour and things (e.g. adulterated goods) particularly in the context of moneymaking in contemporary Uganda. In newspaper articles and related discussions and investigations, there were references to and complaints about fake products (milk, liquor, medical drugs, agro-chemicals, cement, fuel, solar panels), fake investors, fake banks, fake money, fake deals, fake land titles, fake clearing agents, fake doctors, fake healers, fake pastors, fake NGOs, fake trade unions, fake marriages, fake pregnancies. Further fraud in the public sector was referred to in numerous cases and debates about ghost schools, ghost health centres, ghost workers, ghost teachers, ghost soldiers, ghost pensioners, ghost voters, ghost polling stations. Consumer products imported from abroad might be malfunctioning counterfeits. Sections of certain industries, for example the construction industry, were known to regularly produce sub-standard or shoddy work with low quality and durability. Several buildings and construction sites in Kampala ‘collapsed’ (or were said to be likely to cause problems in the near future) because construction standards were disregarded. Many government programmes, for example in the health, education, transport and agricultural support sectors, were characterised by severe corruption and implementation problems and thus often delivered far short of the outlined aspiration. Given these realities and outcomes of partly institutionalised corruption and reckless profit-making in neoliberal Uganda, many people questioned the performance of both the public and private sector.

Many respondents noted a significant shift since the late 1980s regarding the way in which more and more Ugandans are made to think, feel and act. They also stated that the moral authority, integrity, and credibility of many people and institutions of power (both state and non-state) have significantly diminished due to the dynamics of the reform process. In sum then, notwithstanding the official rhetoric and statistics of reform success, many people actually experienced the day-to-day manifestations of neoliberal *pseudo-development*⁹ and *fake capitalism*¹⁰ in several realms of their lives. Many of these trends can be seen in the light of restructuring of Ugandan society towards a fully capitalist trajectory and the (cultural) ‘turbulence’ that this brings. It is far from clear where, when, and how these turbulences and the country’s march towards a market society will end.

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Notes

1. This paper is an outcome of my PhD research on the post-1986 changes in the relationships and trade practices between farmers and traders and the related moral norms in Uganda; for details see: <http://www.shef.ac.uk/politics/research/phd/jwiegratz.html>.
2. This description is owed to Henry Bernstein.
3. As well as ideas, beliefs, perceptions, valuations, and so on.
4. Or, responsible/irresponsible, permissible/forbidden, good/bad, right/wrong behaviour.
5. This point is owed to James G. Carrier.

6. Economic (and social) risk was, as elsewhere, ‘desocialized, individualized and privatized’ (Dean 2008, p. 30).
7. Notably, these chains extended beyond Uganda: malpractice was also reported for particular sections of the liberalised international trade (e.g. with the European Union) and regional trade (southern Sudan) (Dow Jones 2007, New Vision 2007, 2009, Wiegratz *et al.* 2007, Wiegratz 2008, 2009). For example, in the fruit and vegetable sector, malpractice was carried out by both some buyers in Europe and some of the Uganda-based suppliers (Wiegratz *et al.* 2007). Malpractice by buyers (and suppliers) also affected parts of the foreign trade in agricultural products of some other African countries (Wiegratz 2010: see Freidberg 2003, Fold and Gough 2008, Baglioni 2009).
8. Paying for a good or service that is never delivered.
9. Which might also be called *façade development*, or *Potemkin development* (suggested by James G. Carrier), after the fake model villages built on Potemkin’s orders for Catherine the Great’s tours of the Ukraine and the Crimea.
10. This description is owed to Graham Harrison.

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