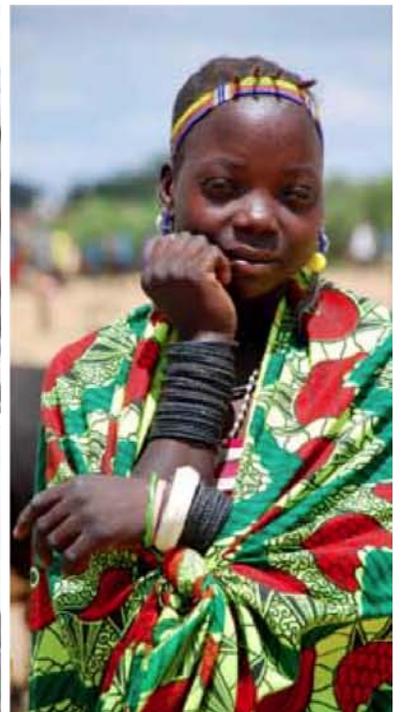


Cattle Raiding in Karamoja

A Conflict and Market Assessment



Photos: Jenny Vaughan for Mercy Corps

Table of Contents

1. EXECUTIVE SUMMARY	3
2. PURPOSE AND METHODOLOGY	4
3. CONFLICT ASSESSMENT	4
A. CONTEXT	4
B. CAUSES OF CATTLE RAIDING IN KARAMOJA	4
C. STAKEHOLDER ANALYSIS	5
D. THE ILLICIT CATTLE TRADE AND THE RISE OF COMMERCIAL CATTLE RAIDING	7
E. ECONOMIC CONSEQUENCES OF CATTLE RAIDING	8
F. PREVENTION AND RESOLUTION OF CATTLE RAIDING	9
4. MARKET ASSESSMENT	11
A. CORE MARKET	13
B. SUPPORTING FUNCTIONS	14
C. RULES	16
D. POTENTIAL FOR MARKET DEVELOPMENT APPROACHES IN KARAMOJA	18
5. CONCLUSIONS AND RECOMMENDATIONS	19

Acronyms

CAHW	Community Animal Health Worker
CFW	Cash For Work
DVO	District Veterinary Office
FAO	United Nations Food and Agriculture Organization
IOM	International Organization for Migration
KCVC	Kotido Central Veterinary Care
MFI	Microfinance Institutions
NGO	Non-governmental Organization
SACCO	Savings and Credit Cooperatives
UPDF	Uganda People's Defense Force
VSLA	Village Saving and Loan Association

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1. Executive Summary

The Karamoja region of northeastern Uganda is among the poorest and most insecure areas in the world. Cattle raids, theft, poor agricultural productivity, illiteracy, abysmal maternal and child health, aid dependency, and the breakdown of traditional semi-nomadic livelihoods combine to prevent the estimated 1.2 million Karamojong from living secure and productive lives. Since 2009, Mercy Corps has implemented both peacebuilding and economic development programs in the region. The agency has sought to integrate these approaches, motivated in part by the growing body of research linking poverty, slow economic growth, and conflict. Mercy Corps aims to develop holistic programming that will address both economic needs and conflict – interventions that will build peace by eliminating the underlying economic causes of conflict and, at the same time, open the doors to development by reducing violence. To better understand the relationship between economic development and conflict, as well as the underlying drivers of cattle raiding, Mercy Corps conducted a combined conflict and market assessment in October 2010. The assessment included a literature review, 23 key informant interviews, and 12 focus group discussions.

Understanding conflict and markets in Karamoja

Poverty and conflict are intertwined in Karamoja. Recurrent cattle raids have thwarted economic growth in the region by destroying productive assets, preventing trade, and deterring investment by private sector actors. Ongoing instability has weakened the market system, undercutting the ability of Karamojong pastoralists and agro-pastoralists to support themselves legitimately. Cattle raiding, in turn, is predominantly driven by economic interests. For the young men who carry them out, raids offer a way to meet basic needs and gain status under conditions of widespread poverty and limited economic opportunity. Commercial cattle raiding is on the rise, and a black market structure for selling and channeling raided cows out of Karamoja is developing. As cattle raiding becomes more commercialized, a powerful coterie of vested interests is increasingly invested in facilitating raids and maintaining instability in Karamoja for personal gain.

Opening the doors to development, and paving a path toward peace

Despite its negative effects on the people and the economic development of Karamoja, why does cattle raiding continue? One reason may be that the long-term economic consequences do not outweigh the short-term economic gains. Moreover, many of the actors involved in the illicit cattle trade are not directly affected by the violence and economic deprivation that results from raiding. An effective strategy to prevent raiding must take a multi-pronged approach that addresses the varying motivations of the actors involved. Such a strategy must also employ a carrot-and-stick approach that lowers the incentives for raiding by providing more attractive alternatives for acquiring money and status, while raising the costs of raiding by making it more difficult to offload stolen cattle.

In a place such as Karamoja, where conflict and poverty conspire to prevent regional development, reducing conflict and boosting economic development can only happen incrementally and in tandem. While stability is often viewed as a prerequisite for economic development, economic growth itself offers a path toward peace. Rather than directly delivering goods and services, aid actors should facilitate market system change that enables market actors to sustainably address the economic drivers of conflict. This includes providing viable economic opportunities, encouraging private sector investment and job creation, and strengthening the institutions that regulate the cattle trade. At the same time, activities that build trust between antagonistic groups and reinforce local conflict resolution mechanisms are needed to lay the foundation for economic cooperation and prevent the violence that inhibits business and trade.

2. Purpose and Methodology

To better understand the relationship between economic development and conflict, as well as the underlying drivers of cattle raiding, Mercy Corps conducted a combined conflict and market assessment in October 2010. Since 2009, Mercy Corps has implemented both peacebuilding and economic development programs in this region. The agency has sought to integrate these approaches, motivated by the growing body of research linking poverty, slow economic growth, and conflict. Mercy Corps aims to develop holistic programming that will address both economic needs and conflict – interventions that will build peace by eliminating the underlying economic causes of conflict and, at the same time, open the doors to development by reducing violence.

The assessment included a literature review; 23 key informant interviews with a range of donor, government, business, and community actors in the US, Kampala, Acholiland, Lira, and Karamoja; and 12 focus group discussions with men, women, and youth in Kotido, Kaabong, Abim, and Agago Districts. In order to explore the intersection between conflict and economics and avoid stove-piping peacebuilding and economic development programming, the assessment was jointly conducted by Mercy Corps’ conflict management and economic development technical support teams.



3. Conflict Assessment

A. Context

The Karamoja region of northeastern Uganda is the poorest, least developed part of the country. The Karamojong who inhabit the region’s marginal dryland are predominantly pastoralist, though most groups farm as well. Cattle raiding has characterized the relationship between Karamojong tribes for generations. In recent years, however, raiding has become increasingly violent, due in part to the proliferation of small arms. As traditional power structures have eroded, social norms that once moderated raiding have dissolved. While raids were previously controlled by elders and used for the benefit of the community to build alliances, acquire brideprice, and redistribute food and wealth in times of scarcity,¹ raids are increasingly carried out by young men for their own personal gain. Although security has improved over the past several years, largely due to the government disarmament campaign carried out by the UPDF, cattle raiding continues to take lives, undermine livelihoods, and discourage both development and private sector investment in the region.

“Cattle is everything. It’s survival, it’s a wife, it’s prestige.”
- Key informant interview

B. Causes of cattle raiding in Karamoja

Cattle raiding today is predominantly driven by economic interests and falls into two major categories:

1. Raids planned and conducted by youth to obtain cattle they can sell for cash or keep to meet their own and their families’ needs;

¹ Stites, Akabwai, Mazurana, and Ateyo, *Angering Akuju: Survival and Suffering in Karamoja*, Dec 2007.

2. Commercial cattle raiding, which may involve not only the youth who conduct the raids but businessmen, traditional leaders, and alleged elements within the government, the UPDF, and the police.

Focus groups and key informants spoke of raiders being motivated by the need for both cash and cattle in a context of limited economic opportunity. Raiders commonly sell stolen cattle as soon as possible in order to convert them into cash. Stolen cattle are also kept as a source of brideprice, savings, food, and prestige.

Other factors that foster the conditions that perpetuate cattle raiding include:²

- *proliferation of small arms*, and the concentration of weapons in the hands of youth;
- *unequal disarmament*, which has left disarmed groups vulnerable to those who still hold guns;
- *collapse of the traditional, intergenerational system of authority*, which has weakened the control elders previously exerted over the behavior of young men;³
- *lack of security and rule of law provided by the state*;
- *lack of publicly available information about the incidence of cattle theft and recovery*;
- *decline in the number of livestock* due to raiding, drought, distress sales, disease, and alleged confiscation by members of the UPDF;
- *overuse of natural resources* (e.g., pasture, forest), which has degraded the natural resource base in the region and damaged livelihoods;
- *the rise of commercial cattle raiding*, which has facilitated the sale of illicit cows and increased economic gains from raiding;
- *cultural values*, including the desire for revenge and prestige. Cultural factors tended to be mentioned more by key informants – outsiders and local elites – than by community members.

While programs geared toward the prevention of raiding must take these factors into consideration, the priority should be placed on addressing the underlying economic interests that motivate raiding.

C. Stakeholder analysis

Youth: Most raids today are initiated, planned, and carried out by youth – locally referred to as *karachuna*⁴ – who directly benefit. They may be encouraged to raid by other members of the community such as elders and women, and raiding may be facilitated by support from business people and elites. Any initiative geared toward preventing cattle raids must address the needs and motivations of these youth.

Elders: While some elders are involved in organizing or even participating in raids, the extent of their involvement is generally limited to encouraging youth to raid. This is a change from the past, when raids were larger-scale, organized by elders, and sanctioned by the community. This

² For a deeper discussion of these factors, see Meszaros, *Pastoral Conflict in the Karamoja Region of Northeastern Uganda*, May 2010; and Stites, Akabwai, Mazurana, and Ateyo, *Angering Akuju: Survival and Suffering in Karamoja*, Dec 2007.

³ This has in turn been related to the concentration of guns in the hands of youth, weakened mechanisms of traditional justice, and the lack of handover of power from the age set that is currently in charge to their successors.

⁴ *Karachuna* are young men between the ages of 15 and 40 who are capable of conducting raids.

Community Perspectives on the Causes of Cattle Raiding

Focus groups emphasized the role of poverty in driving cattle raids. They highlighted the pressures many raiders face to feed their families and pay brideprice in order to marry, as well as the lack of economic opportunities that allow raiders to meet these needs legally and peacefully.

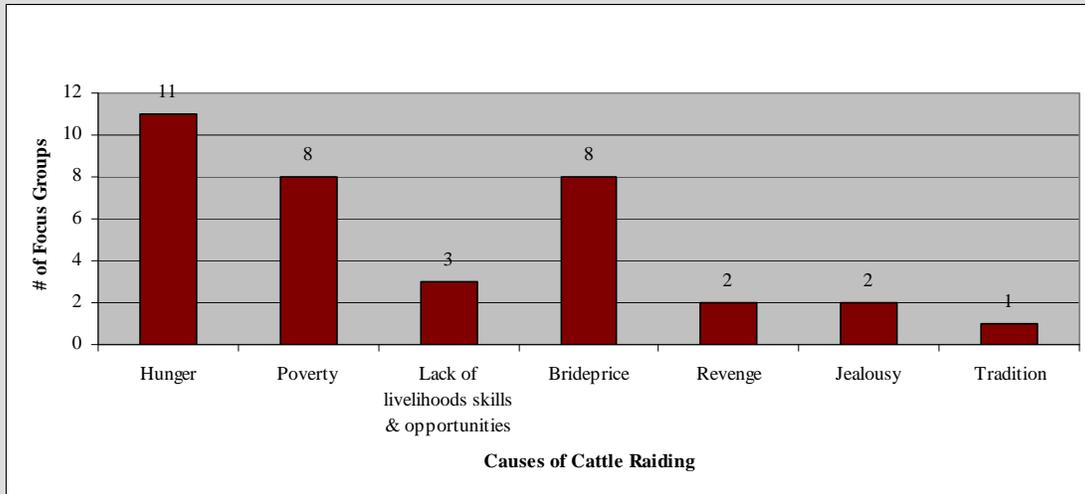
In the words of community members....

“People raid because they don’t have anything to eat.”

“When you have nothing, you go raid. It’s people who have no work, the poor, who raid.”

“No cow, no marriage.”

“People are not educated. People don’t have the skills for survival. So they depend on raiding.”



change was explained by such factors as the erosion of the authority of elders in Karamojong society and the concentration of weapons in the hands of youth.

Women: Women indirectly contribute to raiding by encouraging their husbands and sons to raid in order to acquire food, cash for meeting basic needs, or cattle for brideprice.

Business people: Business people, including those based in Karamoja as well as in other parts of Uganda, are implicated in cattle raiding to varying degrees. Focus groups and key informants note that while some business people simply purchase stolen cattle in local markets, knowingly or unknowingly, others collude with raiders to plan raids and organize the sale of large numbers of illicit cows.

National government: Formal development plans⁵ and the appointment of President Yoweri Museveni’s wife Janet Museveni as Minister of State for Karamoja indicate that the national government has an interest in promoting peace and development in Karamoja. Nonetheless, some government actions undermine stability in the region:

- *Settlement policies*, including restrictions on animal mobility and movement across borders, increased private

Why don’t some youth raid?
Not all youth participate in cattle raids. Community members described youth who do not raid as those who are educated and have the means to earn a living. This reinforces the key role that economic need plays in motivating cattle raiding and highlights the importance of sustainable livelihoods and long-term job creation in preventing cattle raiding.

⁵ Karamoja Integrated Disarmament and Development Programme (KIDDP), January 2007.

- ownership of land, and government programs to settle people in greenbelts for farming. The relative merits of pastoralism versus sedentarization has inspired vigorous debate in Uganda.⁶ Key informants noted that efforts to promote sedentarization and agriculture have helped to drive raiding by reducing the viability of pastoralism, damaging locally-adaptive livelihoods, and increasing the economic vulnerability of the Karamojong.
- *Discriminatory attitudes toward the Karamojong.* The Karamojong are widely perceived as backward throughout Uganda. This attitude colors the way in which the region's inhabitants are treated and has contributed to the marginalization of the region.
 - *Failure to provide adequate security,* due to lack of capacity and resources.
 - *Failure to crack down on human rights abuses by the military.*
 - *Corruption.* Allegations of the involvement of government officials in the illicit cattle trade suggest that some elements in the government benefit from continued raiding.

UPDF: The UPDF is credited with improving security in Karamoja through disarmament and patrols. However, focus groups and key informants discussed abuses committed by elements within the UPDF that contribute to regional instability and the perpetuation of cattle raiding, including:

- *Implication in cattle raiding,* including selling confiscated cattle, colluding with raiders to facilitate raids, and conducting raids;
- *Unequal and brutally-implemented disarmament;*
- *Human rights violations;*⁷
- *Failure to recover raided cattle or provide adequate security;*
- *Lack of transparency and accountability,* including lack of publicly available data about cattle thefts and the success rate of recovering stolen cattle;
- *Protected kraals,* intended to protect cattle from raids but blamed for increased confiscation and sale of cattle by elements within the UPDF as well as increased incidence of disease. The protected kraals are now being closed.

D. The illicit cattle trade and the rise of commercial cattle raiding⁸

Cattle raiding has become more commercialized in recent years. While traditionally cattle were bartered or exchanged as gifts, today the animals are increasingly sold for cash, and there is a developing black market structure for selling and channeling raided cows out of Karamoja. As a result, cattle raids have become more organized and sophisticated, although the degree of organization and the types and

“Cattle raiding is a business...There are all these different people who want a cut.” - Key informant interview

roles of actors involved varies. At one end of the spectrum, cattle raids are carried out by youth at their own initiative, and raided cows or cuts of meat are discreetly sold on the local market to unwitting buyers. At the other end of the spectrum, raids are organized by ex-warriors who direct raids from the rear, and cattle sales are planned in advance with businessmen who truck the cows to markets outside of Karamoja. Elements within the government, the UPDF, and the police may be involved in facilitating both raiding and selling. In order to avoid detection, raiders reportedly monitor the movements of security personnel and communicate this information with cell phones.

⁶ For example, see IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010 and Levine, *What To Do About Karamoja: A food security analysis of Karamoja*, Sept 2010.

⁷ See for example Human Rights Watch, *Get the Gun: Human rights violations by Uganda's national army in law enforcement operations in Karamoja Region*, Sept 2007.

⁸ As a relatively new phenomenon, most information about commercial cattle raiding is based on rumor and anecdote, and key informants and focus groups offered contradictory information about the extent to which it occurs.

In some cases, Karamojong groups who are ostensibly in conflict – such as the Jie and Dodoth – reportedly conduct cattle raids together for commercial gain.

Raided cows may be sold directly from the bush or in local markets in Karamoja such as Kaabong or Kotido. Alternatively, businessmen from outside of Karamoja may purchase stolen cattle directly and sell them in other markets in northern Uganda, such as Mbale, Lira, Gulu, Kitgum, or Soroti, or across the border in Kenya or Sudan. Several focus groups commented that raided cows are rarely recovered.

Key Features of the Illicit Cattle Trade

- Increasingly organized, sophisticated, and violent.
- Coordination between raiders and buyers varies.
- Some raids are carried out by youth at their own initiative, while others are highly organized and involve multiple players.
- Buyers may or may not realize that they have purchased stolen cows.

Community Perspectives on the Illicit Cattle Trade

The contradictory insights on commercial cattle raiding offered by focus groups and key informants indicate that the degree of organization and the involvement of different actors varies widely.

Coordination between raiders and buyers

“The raiders coordinate with buyers.”

“There is no coordination with businessmen. [Raiding] is out of individual initiative.”

“Buyers don’t usually know that the cows are raided.”

Varying degrees of organization

“There are some ringleaders, especially ex-warriors who organize the youth to go and raid.”

“The exercise of raiding is not coordinated. Nobody sends the youth...they just decide to go on their own.”

Sale of raided cattle

“Raided cows are usually sold outside Karamoja.”

“People from the neighboring communities buy the stolen cows.”

“Businessmen may buy large numbers of raided cows and transport them in a lorry. These cows may go to Mbale, Kitgum, and Lira.”

“At times they slaughter cattle in the bush and sell ready meat.”

Recovery of raided cattle

“Raided cattle are rarely recovered.”

“Some [stolen cows] are got during market days, but it’s rare, because...they change the branding and marks on them to make them look different.”

“People contribute money to the government and UPDF to recover their animals and when the government fails, you lose both [cattle and money] since they don’t refund. This fosters revenge in the form of further raiding.”

E. Economic consequences of cattle raiding

Recurrent cattle raids have exacted a heavy toll on the people of Karamoja. In addition to the loss of life, raiding has undermined local livelihood strategies⁹ and discouraged private sector investment. Focus groups and key informants reported that agriculture, livestock production, artisanal mining,¹⁰ charcoal production, and other income-generating activities have declined, and fewer cows are sold on the market than in previous years. Economic cooperation and trade

⁹ For more information, see Stites and Akabwai, *Changing Roles, Shifting Risks: Livelihood impacts of disarmament in Karamoja, Uganda*, Jul 2009.

¹⁰ Mining was mentioned by 2 of 3 focus groups in Loyoro sub-county, Kaabong District. This community previously engaged in artisanal gold mining, but this activity has ceased due to insecurity.

between conflicting communities in Karamoja has diminished as well: six of 12 focus groups stated that they do not trade or cooperate economically with the conflicting community, while four additional focus groups noted that economic cooperation has decreased or is limited to businessmen. Security concerns have created the perception that Karamoja is a risky environment in which to operate, deterring investment by the private sector.

“Business is cut off. People fear to travel to transact business because of insecurity.”
- Focus group

Raiding prevents economic activity in a number of ways. Persistent insecurity – marked by the occurrence of violent incidents such as killing, rape, and ambushes – has restricted movement and kept people at home, unable to trade, move their animals, or cultivate their gardens. Cycles of violence and retaliatory raids have eroded the trust that business relationships are built on, and the rule of law is too weak in the region to substitute for inter-personal trust. The theft of productive assets and sources of capital – including cattle, animals for traction, farming equipment, household goods, and crops – have undermined community members’ ability to be economically self-sufficient. Finally, families have lost loved ones who would otherwise be able to contribute to the household economy.

In spite of these difficulties, people inside and outside of Karamoja are ready to seize economic opportunity. Private sector actors expressed interest in doing business in Karamoja, in part because they have noted the recent improved security. Continuing constraints to private sector investment include some ongoing security concerns, lack of access to financial and business development services, a perceived lack of demand, the high cost of reaching consumers in a vast territory with poor infrastructure, lack of investment capital, and aid actors who undercut local markets through the delivery of free or heavily subsidized products and services.

Community members also voiced the desire for increased economic engagement with their adversaries. While a detailed market analysis is necessary to identify economically viable opportunities, focus groups suggested a number of possibilities, including trade in livestock and agricultural products, gold mining, cooperative societies, common markets, joint farming, joint infrastructure projects such as dam construction, and joint businesses such as quarrying and bricklaying. In addition, they highlighted several other activities that aid actors can implement to facilitate economic cooperation, including dialogues between conflicting communities to build trust, access roads connecting conflicting communities, and joint settlements.

Trust and Trade

Recurrent conflict has destroyed the social capital that underpins business relationships and trade. *“Because of this issue of raiding each other, the Dodoth and the Jie are now suspicious of each other. So business can’t go on,”* explained one group. *“People are willing to cooperate, but each side is afraid of the other,”* said another. The role of fear, mistrust, and negative perceptions in preventing economic cooperation underscores the importance of repairing relationships between conflicting groups so that business relationships can take root.

F. Prevention and resolution of cattle raiding

Discussions about the prevention of cattle raiding highlighted the links between raiding on the one hand and limited economic opportunity, poor relationships between groups, and the need for government action on the other. Both focus groups and key informants highlighted the importance of providing economic opportunities, such as employment, alternative livelihoods, markets, and farming, particularly to youth. One key informant, for example, stressed the value in supporting youth who are transitioning away from raiding, observing that youth who can’t support themselves are more likely to return to raiding. Focus groups also discussed the relevance

Community Perspectives on the Economic Consequences of Cattle Raiding

Raiding touches all members of the community, hindering the well-being of families as well as the economic development of the region, through...

...Increased insecurity.

“People are not able to work because of insecurity.”

“When you go to your garden and raiders find you, they at times rape you or even kill you.”

...Loss of property.

“[Raiders] take more than cattle. They take food and other things, leaving us with nothing.”

...Loss of life.

“Raiding leads to loss of lives who would contribute to economic development.”

...Reduction in farming.

“People can no longer access their gardens since they fear the raiders.”

“The oxen that would have been used for plowing are raided.”

...Reduction in trade.

“The community used to walk to Kotido to trade goods, but now they don’t go because they are afraid of being killed.”

“Trading is mostly done with cattle so, the trading ceases.”

...Reduction in mining.

“People don’t go [to the mines] because they are afraid of being killed. Mining is more limited now...”

of peacebuilding activities, such as dialogues and cultural exchanges. Finally, they identified government interventions – such as disarmament, recovery of stolen cattle, and punishment of raiders – as key to the prevention of cattle raiding.

In keeping with the culture of dependence on external aid that has been observed in Karamoja, community members placed a great deal of responsibility for preventing cattle raiding on external actors such as donors and non-governmental organizations (NGOs). They requested assistance in the form of livelihoods projects, creation of job opportunities, youth-focused projects, agriculture support (such as seeds and cassava cuttings), food aid, peacebuilding activities, financial assistance for education, joint settlements, and resettlement in fertile zones. Only two focus groups stated that the responsibility for stopping cattle raiding rests in part with the community, including providing information about who is raiding to the UPDF and actively discouraging youth from cattle raiding. Nonetheless, community members did suggest a number of ways key actors can help prevent cattle raiding, as outlined in the table below.

Focus groups said that resolving cattle raiding disputes hinges on recovering stolen cattle. This falls under the purview of local government, the UPDF, and the police, though community members are unhappy that these actors rarely recover all raided cattle. Community members themselves seemed to feel they had little part to play in the resolution of raid-related disputes beyond reporting raids and advising youth to refrain from raiding. While elders are important in traditional dispute resolution, they appear to have little power to recover stolen cattle.

Actor	Role
Youth	Young men and women should agree on brideprice. Form groups and organize livelihoods projects. Reformed youth should act as mentors and advocates of peace, mobilize other youth to stop raiding, and meet with youth from conflicting communities. Identify raiders and either discourage or inform on them.
Elders	Discourage raiding, advise youth, and discipline youth who raid.
Women	Discourage husbands and sons from raiding. Send their children to school.
Local government	Provide jobs, livelihoods, and activities for youth. Provide education for children. Recover cattle. Provide security. Arrest raiders. Respond quickly to the needs of the community. Initiate meetings between conflicting communities. Encourage joint grazing.
UPDF	Disarmament. Recover cattle. Provide security.
NGOs	Provide projects, activities, and work for youth. Provide food.
Churches	Advise and mentor youth.

4. Market Assessment¹¹

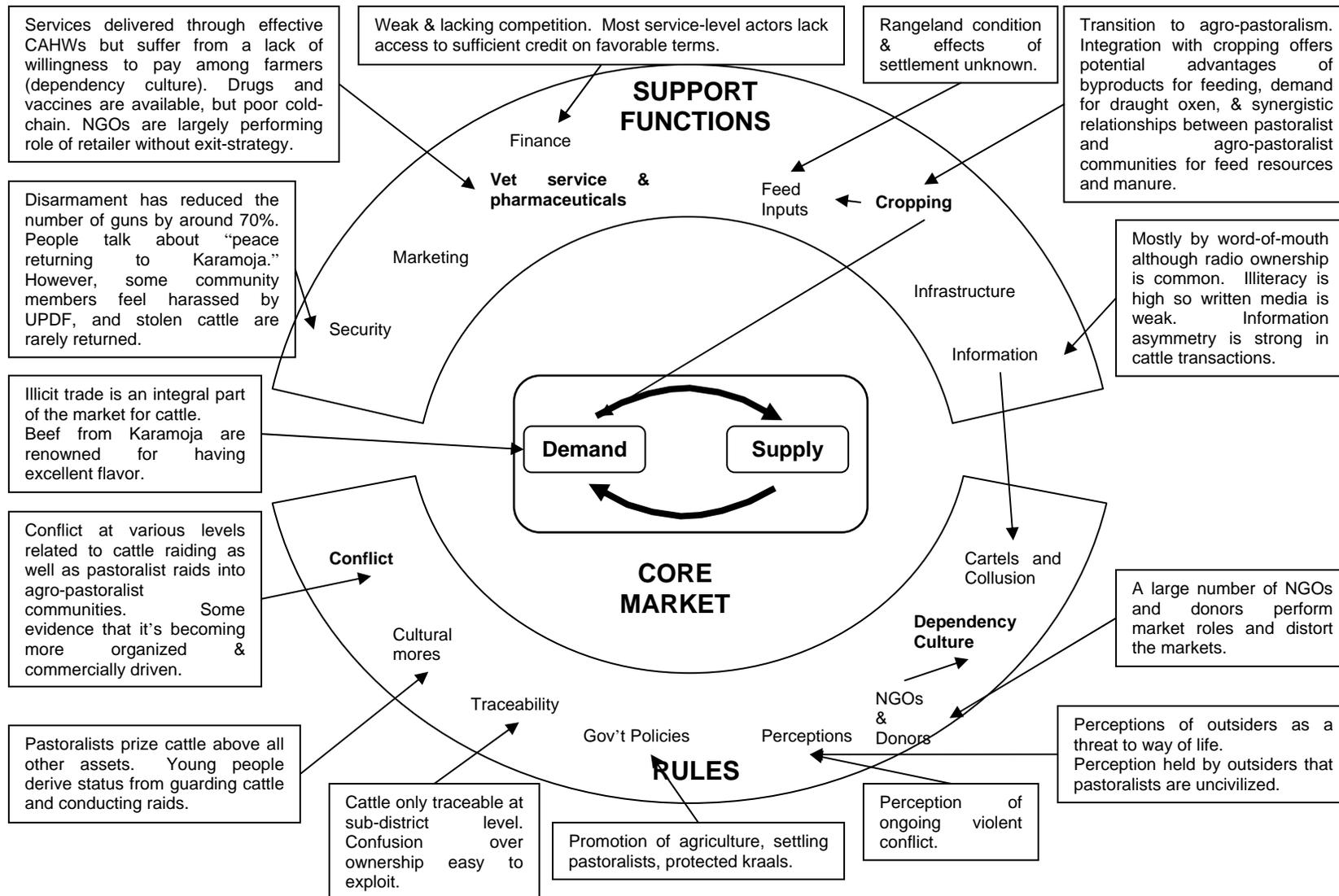
While the Karamojong employ a diverse array of livelihoods strategies, including livestock rearing, farming,¹² casual labor, charcoal production, and collecting non-timber forest products,¹³ pastoralism and agro-pastoralism remain significant and are likely to comprise an important element of the region's economy into the future. The relationship between pastoralism and conflict – with pastoralists both most vulnerable to and most likely to be perpetrators of cattle raids – makes it particularly relevant to understand how the livestock market system functions.

The cattle market system in Karamoja suffers from a number of systemic weaknesses common to both underdeveloped and conflict-affected environments. Systemic weaknesses in Karamoja's livestock market undercut the ability of Karamojong pastoralists and agro-pastoralists to support themselves legitimately. Lacking licit income sources, they turn to cattle raiding as a way to gain wealth and status. Understanding these systemic weaknesses as well as the potential of the livestock market system to contribute to local livelihoods is critical to developing a viable strategy for addressing the economic drivers of cattle raiding and reducing the incentives offered by the illicit cattle trade.

¹¹ The market assessment followed the Making Markets Work for the Poor approach. See U.K. Department for International Development (DFID) and the Swiss Agency for Development and Cooperation (SDC), *The Operational Guide for the Making Markets Work For The Poor (M4P) Approach*, 2008.

¹² Cropping is on the rise among pastoralists, with the main crops including sorghum, millet, maize, and sunflower. See Billings, Ghazi, and Mock, eds, *Mapping a Better Future: Spatial Analysis and Pro-Poor Livestock Strategies in Uganda*, 2010.

¹³ Meszaros, *Pastoral Conflict in the Karamoja Region of Northeastern Uganda: A Literature Review (draft)*, May 2010.



Karamoja Cattle Market System

A. Core market

Livestock production

Livestock including cattle, sheep, and goats are a critical element of livelihood strategies in Karamoja, with 17% of the population relying on livestock as their primary source of income and 15% relying on livestock as their secondary source of income.¹⁴ Estimates vary as to the number of livestock in the area. Official statistics from 2008 are higher than recent estimates of 1-1.3 million cattle and 1.9-2 million sheep and goats in the region,¹⁵ with around half of these in Kotido district.

Cattle are traditionally the most important livestock as a source of wealth and status, though cattle ownership and trade has declined in recent years due to disease, raiding, and the transition to cropping.¹⁶ According to IOM, 36% of households in Karamoja own cattle, down from 54% in 2008 and below the 65% national average.¹⁷ While less important in terms of status, sheep and goats play a significant, if often overlooked, role in local livelihoods with great potential to boost economic activity among the poor due to low entry costs, high demand, lower risk for raiding, and high fecundity.

The role of pastoralism in local livelihoods varies. Pure pastoralism is relatively rare: 12% of Karamojong describe themselves as purely pastoralist, while 38% describe themselves as agro-pastoralist.¹⁸ Pastoralism tends to be concentrated in the drier areas of the region, such as the arid belt running through the centre of the region from north to south,¹⁹ in contrast to wetter areas such as Abim and Moroto where cropping plays a greater role. In addition, wealthier individuals may be more likely to include cattle rearing among their livelihoods strategies, while the poor tend to cope through casual labor and selling firewood.²⁰

Livestock trade

Trade in cattle is conducted primarily through livestock markets across Karamoja. The livestock market in Kotido, held on Wednesdays outside Kotido town, is the largest. More than 200 cattle and many more small ruminants and poultry are sold there each week. The market has seen a dramatic decline in sales in the last three years as livestock numbers have fallen due to disease, raiding, and confiscation. In previous years, the market dealt in up to 700 cattle each week.

Kotido Cattle Loaders Association
Former raiders have found legitimate work as cattle loaders at the Kotido livestock market. The Cattle Loaders Association has 60 members who load purchased cattle onto trucks and capture runaway cattle for a negotiated fee.

¹⁴ IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010.

¹⁵ Key informant interview; Okurut et al., *Livestock Disease Surveillance in Karamoja: The Importance of Early Detection of Diseases and Epidemics for Livestock Dependent Communities*, 2010. Some of the difference between these and government figures from 2008 may be attributable to recent disease and raiding incidence.

¹⁶ IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010.

¹⁷ *Ibid.*

¹⁸ IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010.

¹⁹ Billings, Ghazi, and Mock, eds, *Mapping a Better Future: Spatial Analysis and Pro-Poor Livestock Strategies in Uganda*, 2010.

²⁰ *Ibid.*

Cattle are primarily sold to traders from outside Karamoja, including Pader,²¹ Lira, and Gulu. There is also some export trade to Sudan. Transactions occur through individual negotiations and are often facilitated by a translator. Sellers accept cash or barter, particularly for sorghum. However, a shift towards a preference for cash has been observed in recent years as it is more flexible. Most cattle are sold for immediate slaughter and wholesale to butchers, though some traders are vertically linked to butchers themselves. A few young-stock are sold for fattening elsewhere.

Traders in Kotido livestock market reported there was no way of knowing whether cattle were stolen or not. However, they acknowledged that suspicions were raised if the seller negotiated less, accepted a lower price, or wanted to complete the transaction quickly. They noted that the risks of trading stolen cattle were high if they were caught within the region, with possible consequences including confiscation of the cattle and arrest by the UPDF and police. However, once the cattle are outside of Karamoja, the likelihood of them being identified as stolen is low and they are easily sold.

B. Supporting Functions

The supporting functions – the services, inputs, and infrastructure which support efficient market operation – of the livestock market system in Karamoja are extremely weak. A number of systemic market weaknesses result from this, including:

- ⇒ Limited access to nutritional supplements for livestock;
- ⇒ Limited slaughter and value-addition facilities and enterprises;
- ⇒ Poor infrastructure for transportation and watering;
- ⇒ Information asymmetries and low availability of information due to poor radio coverage and high illiteracy;
- ⇒ Limited freedom of movement due to insecurity;
- ⇒ Veterinary services that rely primarily on the support of aid actors; and
- ⇒ Limited access to financial and business development services.

Feed and feed resources: Ruminants are fed on rangeland resources with no evidence of supplements (e.g., concentrates, brought-in feeds and minerals) to improve nutrition. Supplementation may occur where livestock raising is integrated with cropping and where crop by-products (such as maize and sorghum stover) are available. There may also be traditional mineral sources such as salt supplements.

Slaughter and value-addition facilities and enterprises: Slaughter facilities and value-addition enterprises (e.g., meat butchering, canning, tanning) are extremely weak for all but local consumption. The slaughter “slab” in Kotido was recently closed due to hygiene concerns, while Moroto has a newly rehabilitated abattoir.²² There is no cold-chain for exporting chilled carcasses out of the region if slaughter facilities did exist. Linkages to external value-addition enterprises are weak, due to the same factors that hamper any private business in Karamoja, including security concerns, poor infrastructure, and risk of confiscation of live animals by the UPDF or police. As a consequence, a large proportion of the potential value of livestock (including hides, bone meal, and blood) is lost.

²¹ Mercy Corps, *Rapid Sub-Sector Value Chain Analysis: Rice, Maize, Sesame, Beans, Groundnuts, and Cattle in Pader and Kitgum*, 2009.

²² Okurut et al., *Livestock Disease Surveillance in Karamoja: The Importance of Early Detection of Diseases and Epidemics for Livestock Dependent Communities*, 2010.

Infrastructure: Roads are very poor, particularly during the rainy season.²³ However, there are plans to improve the main road through the district.²⁴ Many livestock markets lack watering facilities, leading to dehydration, decreased body weight, and below-value pricing.

Information: Limited access to information on market prices for livestock and crop products means that buyers of livestock and sellers of sorghum (often the same people) are in control of the transaction. Locals wishing to sell their cattle and purchase crop products for consumption are therefore at a disadvantage. The low availability of information is due to both limited radio coverage and high illiteracy. While there is some radio coverage (around 22% ownership),²⁵ little pricing information is shared through this medium. The cost of batteries may also be a deterrent, and there is some evidence that only men have access to radios. High illiteracy in the region (89% compared to 33% national average)²⁶ makes reaching the population through written media a challenge. In contrast, cell phone coverage in some districts of Karamoja is good,²⁷ offering a potential route for communicating price information.

Security: Ongoing conflict and instability increases the risk, and the perception of risk, of trading in Karamoja. This in turn makes local traders and outsiders less willing to do business in the region. Local livestock sellers often limit trade to their own clan territory for fear of violence. Furthermore, they risk being raided on their way to market or having livestock confiscated by the police or UPDF when they get there. Outsiders wanting to establish businesses in Karamoja often fear an escalation of violence or confiscation of purchased cattle by the police or UPDF.

“Karamoja is hostile to investors.” - Key informant interview

Veterinary services: Livestock in Karamoja suffer from a range of diseases, and disease is one of the main reasons for the decline in cattle numbers in recent years. However, demand for veterinary services remains low: only 4% of respondents surveyed by IOM cited livestock inputs as a long-term priority.²⁸ Professional veterinary services are limited, so basic vaccinations, anti-parasitic prophylaxis, treatment of simple communicable diseases, and disease surveillance and reporting are delivered by Community Animal Health Workers (CAHWs). Karamoja is the only region in the country in which CAHWs are allowed to operate, having been sanctioned by the government as an emergency response mechanism in the 1990s.²⁹ Though CAHWs fall under the jurisdiction of the DVO (District Veterinary Office),³⁰ in practice there is little direct supervision other than through the CAHW association. More highly qualified veterinary service is provided by Kotido Central Veterinary Care (KCVC), though coverage is limited outside of vaccination campaigns. Both the CAHW association and KCVC run veterinary drug stores in Kotido.

²³ UGPulse: The Pulse of Uganda. *Uganda Government News: Heavy Rains Destroy Roads in Karamoja*, November 14, 2010.

²⁴ Osere, “Karamoja to get sh300b tarmac road,” *New Vision*, Accessed 2010, <http://www.newvision.co.ug/D/8/220/709560>.

²⁵ United Nations Children’s Fund (UNICEF), *Fast Facts 2009: Sub-Regional Overviews of Uganda*, 2009.

²⁶ United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), *Focus on Karamoja: Special Report No 2, Urgent Humanitarian Needs from August to October 2008*, 2008; Karamoja Media Centre. *Karamoja and Media*, 2010.

²⁷ Current coverage by Airtel, for example, is 70% in Kotido, 75% in Moroto, and 75% in Nakapiripiri.

²⁸ IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010.

²⁹ Okurut et al., *Livestock Disease Surveillance in Karamoja: The Importance of Early Detection of Diseases and Epidemics for Livestock Dependent Communities*, 2010.

³⁰ Okurut et al., *Livestock Disease Surveillance in Karamoja: The Importance of Early Detection of Diseases and Epidemics for Livestock Dependent Communities*, 2010.

Several factors limit the development of self-sustaining, commercial veterinary services in Karamoja, including:

- *An entrenched dependency culture* among recipients of veterinary services, partly due to free provision of goods and services.
- *Lack of capital.* While the CAHW association cited this as a key constraint to becoming self-supporting, the association has yet to approach a bank or any of the drug firms for the credit to support their plans. Instead, there is a high expectation, borne out by experience, that an aid actor will step in to fill the gap.
- *Continued distribution of free drugs.* The local market has been severely distorted by aid actors providing free drugs. A Kampala-based company, for example, claimed that the NGO market accounts for 25% of their sales; government may account for another 25%.

Financial services: Lack of competition and innovation in the financial sector is a severe limitation to the growth of agribusiness in Kotido District. There is only one bank (Stanbic) in Kotido town, and it mainly services government and NGOs. Few local agribusinesses approach the bank due to expectations of high requirements such as audited accounts and collateral in the form of property in Kampala. While Savings and Credit Cooperatives (SACCOs) and Village Saving and Loan Associations (VSLAs) exist in the district, such small-scale microfinance entities do not provide large enough loans for small- to medium-sized businesses.

Business services: Only one business service provider, Karamoja Private Sector Ltd., based in Moroto, operates in Karamoja. It provides entrepreneurship training, including business plan development, but caters mostly to donor-funded implementers who pay for the service for their beneficiaries. There is little evidence of demand and willingness to pay for business services from local businesses.

C. Rules

A number of rules – factors such as policies, perceptions, and attitudes – exert a detrimental influence on the livestock market system in Karamoja. This has led to an assortment of systemic market weaknesses, including:

- ⇒ Limited migration and weakened rangeland management due to policies affecting seasonal transhumance;
- ⇒ Low private sector investment due to perceptions of Karamoja as a high-risk environment;
- ⇒ Lack of investment in building the capacity of the market system; and
- ⇒ A culture of dependency on external aid.

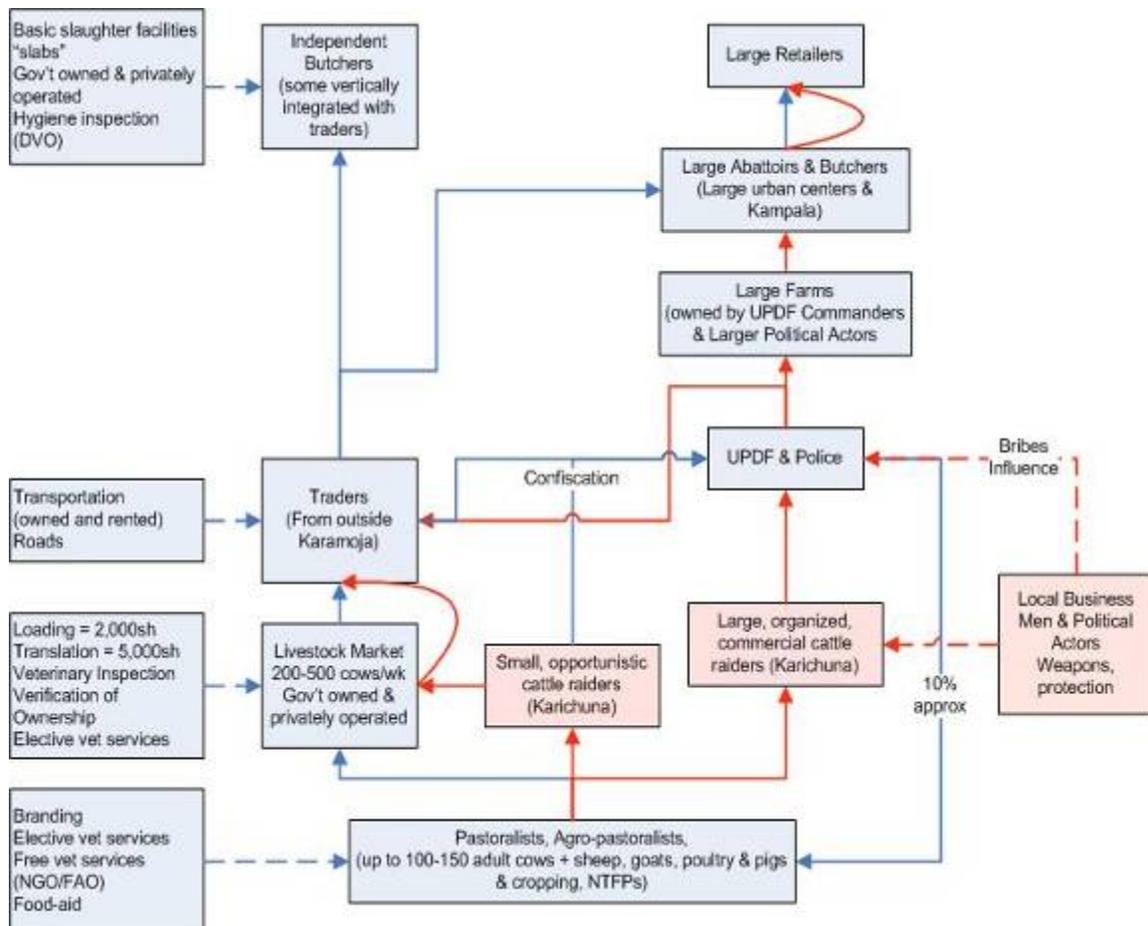
Conflict, instability, and the illicit trade in stolen cattle: Ongoing instability and the rise of commercial cattle raiding has undermined the economic development of Karamoja by destroying productive assets, preventing trade, and deterring the entrance of private sector actors. As the number of actors – and the number of influential actors – involved in the illicit cattle trade grows, the practice will become increasingly difficult to eradicate. These actors may act as spoilers of efforts to resolve conflict in Karamoja, further weakening growth in the region.

Dependency on external assistance: By providing free and subsidized goods and services – particularly veterinary services and agricultural inputs – aid actors have cultivated a culture of dependency on external assistance. This in turn has undermined private sector engagement and is hampering the development of veterinary services, value addition, seed supply, draught animals

and equipment, information, and the provision of other supporting functions. Local service providers tend to wait for NGOs to support them rather than pursuing commercial means of improving their businesses. Private sector actors who may be thinking of entering the market are put off, yet also benefit from easy and lucrative sales to aid actors. Direct service and input delivery has diverted donor resources away from more sustainable uses of their funds: helping private sector actors enter the market and provide products and services for the long-term. Finally, it has reinforced the local government’s assumption that it should directly provide services such as vaccinations, even though their ability to provide them is sporadic.

Challenges to the traceability of stolen cattle: The government has put in place measures such as branding to improve cattle traceability. This has had mixed results. In some cases, legitimately sold or exchanged cattle may be confiscated under the assumption that they’re stolen if they bear a brand from another location. In addition, branding is not permanent, and brands may be erased and replaced over time.

Hygiene regulation: A full analysis of hygiene regulations is beyond the scope of this study. The DVO is responsible for ensuring that meat is fit for human consumption and recently closed the slaughter “slab” in Kotido amid hygiene concerns. In addition, the DVO provides limited inspection of animals at the market to ensure that they are healthy for transportation.



Licit & Illicit Cattle Value Chain

Barriers to trade and movement: There is limited freedom of movement in Karamoja due both to insecurity and policies affecting seasonal transhumance. Recurrent conflict has meant that members of one clan cannot move freely in the territory of another without fear of harassment or attack. Many traders are consequently restricted to trading in their own territories, limiting the overall volume of trade. Movement of livestock through seasonal transhumance has also been restricted by some government policies. As a result, forty percent of respondents surveyed by IOM cited restriction of cattle movement as a problem.³¹

Perceptions of Karamoja: Persistent insecurity has fostered perceptions of Karamoja as a high-risk environment for private sector activity, discouraging investment. However, this perception is waning as security improves, and most informants in other areas of Uganda said they had heard that Karamoja was now “peaceful.” Some Kampala-based private sector actors do not consider instability to be a major obstacle for them to move into the market. Instead, they perceive lack of demand and competition from NGOs as the key barriers.

Collusion and price-fixing: Karamojong cattle traders are often at a disadvantage in their local market. Many livestock buyers have more knowledge of prices outside of Karamoja, giving them the advantage in negotiations. They often come from a different ethnic group and thus speak a different language, making clear communication difficult. These disadvantages are compounded by the fact that many Karamojong cattle sellers are only selling their cattle because they are in distress, making it more likely that they will accept a lower price. There is some suggestion that buyers may collude and fix prices given these advantages. A key informant at the Kotido livestock market, for example, asserted that buyers have an “association” to determine lower prices.

D. Potential for Market Development Approaches in Karamoja

High poverty, a culture of dependency, little investment, poor infrastructure, and instability make Karamoja a challenging environment for market development. Nonetheless, such an approach offers the best hope for inclusive, sustainable economic growth. Private sector actors are willing to engage in the region in sectors including veterinary services, seed and agricultural input supply, and financial services. Rather than directly delivering goods and services, aid actors should facilitate the entry of private sector actors into the market. Interventions should be designed around strengthening market actors – including government, civil society, and the private sector – to modify roles which are currently dysfunctional and to adopt functions currently performed by non-market actors who will ultimately depart the region.

The following table identifies key market functions and the stakeholders who currently perform and pay for each function.

³¹ IOM, *Discussion Paper: Reducing Insecurity Through Self-Reliance*, Oct 2010.

Livestock Market Sustainability Matrix

Market Function	Who performs the function?	Who pays for the function?
Core market		
Livestock market sales	Sellers and buyers Privately managed, government owned livestock market Translators	Producers and traders Infrastructure from NGOs and government
Livestock trading	Producers Traders Cattle raiders (illicit)	Producers and traders
Slaughter and processing	Private individuals (butchers) Privately managed, government owned slaughter “slabs”	Butchers
Rearing of livestock	Livestock producers (pastoralists & agro-pastoralists)	Partly supported by donor-funded food-aid
Supporting Functions		
Animal health services: Vaccinations	CAHWs Vets	Government Donors
Animal health services: Other (elective)	CAHWs Vets	Agro-pastoralists (rarely) NGOs
Veterinary drug supply	NGOs FAO Pharmacists	Donors
Branding and identification	NGO Donors FAO	NGO Donors FAO
Security	UPDF Police Karachuna	Government Communities
Financial services	Private sector financial institutions NGO MFIs SACCOs and VSLAs	Customer (% capital from NGO/Donors)
Rules		
Trade associations	CAHW Association	NGOs Donors
Regulation of cattle movement	DVO Police UPDF	Government
Confiscation and return of stolen cattle	UPDF	Government

5. Conclusions and Recommendations

Poverty and conflict are intertwined in Karamoja. Recurrent cattle raids have thwarted economic growth in the region by destroying productive assets, preventing trade, and deterring investment by private sector actors. Cattle raiding in turn is driven in part by economic factors. For the young men who carry them out, raids offer a way to meet basic needs and gain status under conditions of widespread poverty and limited economic opportunity. As cattle raiding becomes more commercialized, a powerful coterie of vested interests is increasingly invested in facilitating raids and maintaining regional instability for personal gain.

Despite its negative effects on the people and the economic development of Karamoja, why does cattle raiding continue? One reason may be that the long-term negative economic consequences

do not outweigh the short-term economic gains. Moreover, many of the actors involved in the illicit cattle trade are outsiders who are not directly affected by the violence and economic deprivation that results from raiding. An effective strategy to prevent raiding must take a multi-pronged approach that addresses the varying motivations of the actors involved. Such a strategy must also employ a carrot-and-stick approach that lowers the incentives for raiding by providing more attractive alternatives for acquiring money and status, while raising the costs of raiding by making it more difficult to offload stolen cattle.

In a place such as Karamoja, where conflict and poverty conspire to prevent regional development, reducing conflict and boosting economic development can only happen incrementally and in tandem.³² While stability is often viewed as a prerequisite for economic development, economic growth itself offers a path toward peace. Rather than directly delivering goods and services, aid actors should facilitate pro-poor market system change that enables market actors to sustainably address the economic drivers of conflict. This includes providing viable economic opportunities, encouraging private sector investment and job creation, and strengthening the institutions that regulate the cattle trade. At the same time, activities that build trust between antagonistic groups and reinforce local conflict resolution mechanisms are needed to lay the foundation for economic cooperation and prevent the violence that inhibits business and trade.

Several program recommendations flow from this assessment, including:

- ⇒ **Enable youth to meet immediate economic needs through viable, short-term income-generating activities** so that they can transition away from cattle raiding. Possible activities include youth-centered microfinance products and cash for work projects.
- ⇒ **Enable youth to meet long-term economic needs through job creation**, providing a viable alternative to raiding and a means of legitimately gaining both income and status.
- ⇒ **Facilitate long-term market system change by addressing systemic weaknesses** of the livestock and crop market systems. Interventions may focus on facilitating pro-poor development of the market system through engagement of private sector actors and government in improving access to affordable animal health services and pharmaceuticals, increasing access to appropriate financial services, facilitating value-addition to locally sourced livestock, and improving access to market information.
- ⇒ **Reduce incentives for engaging in the illicit cattle trade.** The profitability of the illicit cattle trade has become a factor in perpetuating raiding in Karamoja. The economic and political costs of the trade may be raised by strengthening monitoring and reporting of both cattle thefts and recoveries, strengthening community-based mechanisms for the recovery of stolen cattle and the resolution of associated disputes, increasing traceability of stolen cattle, and raising awareness of the social and economic costs of raiding.
- ⇒ **Support civil society actors to promote change in the values that support cattle raiding.** In addition to economic factors, cultural values and norms related to marriage, masculine roles, identity, and revenge contribute to raiding. Led by local actors who aim to stop raiding and promote peace in their region, a cultural shift away from these values can be promoted through sensitization campaigns, behavior and values change messages delivered by respected leaders, and raising the positive profile of Karamojong culture.
- ⇒ **Build relationships between communities in conflict.** Relationship-building measures are key to rebuilding the trust and social capital necessary for economic cooperation to occur. These activities may include dialogues, facilitated negotiation over the use of grazing grounds and other common resources, and cultural exchanges.

³² World Bank, *World Development Report 2011: Conflict, Security, and Development*, 2011.#